### POWER BEHIND THE SCREEN

# By the same author



POWER AT THE TOP

# CLIVE JENKINS

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# Power Behind the Screen

OWNERSHIP CONTROL AND MOTIVATION IN BRITISH COMMERCIAL TELEVISION



LONDON
MACGIBBON & KEE
1961

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All opinions expressed are my own responsibility. I only hope they help to preserve and extend public-service sound and television broadcasting.

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#### PREFATORY NOTE

EVERY book which rests upon a foundation of research into company structure has within it the seeds of its own decay. As soon as it is written, fresh material on some sector or another of it becomes available.

The data in *Power Behind the Screen* is drawn from reference books which appear at different times of the year and, therefore, often contain conflicting or incomplete information. File researches at Bush House are sometimes frustrated by the company making its returns at a late date.

In brief, the absence of a common datum line may lead one into error. People also die, give up posts or directorships and change their opinions. All this may lead to certain inconsistencies and error in the text or tables.

The broad rule in this case is that the material, unless otherwise stated, derives from the 1959 standard reference books. Some of it could have been up-dated but this has been resisted in order that a picture in 1959 terms should emerge. In certain cases, reprinted newspaper stories themselves contain misleading data, and the reader must beware. Having said that, it will also be seen that individual dramatic changes have forced footnotes of explanation upon a protesting text; the reader is asked to look upon this with indulgence.

So, unless you are a serious student, the tables of directors,\* shareholdings and financial results can be ignored. It is all in the text anyway—so we have down-pointed the source data and hope it will not impede your progress through the book, which attempts a new portrayal of a fascinating industry now engaged in contacting us all.

\* These precede the chapters on the individual television companies

#### INTRODUCTION

IN THE the first watery sunlight of 1959 I sat on the beach at Estoril planning this book. Half-a-stone lighter, after catching numps from Mr Geoffrey Drain, the Deputy General Secretary of NALGO, I marshalled my early thoughts.

Who got the money in commercial TV? Who held the power—and for whom?

The analysis was easy enough. For some years I had been working with a group of people who were concerned about a society in which medium size firms are swallowed up by their great competitors, and in which giant industrial units merge and gradually arrogate to themselves the functions of the state. Behind all this we envisaged the financial power of the joint stock banks and the glandular activities of the merchant banking institutions of the City of London—allied more and more with the financial and political power of the United States of America. This set of concepts became my instruments in searching for the push-buttons of control in the commercial television programme contractors.

I was looking, too, for signs of the conventional apparatus of ownership and of decision-taking allied to ownership. As well as this I wanted to know whether this dynamic form of mass communications owed loyalty or tribute or both to the older centres of financial, political and communications power in Britain.

How does one set about examining an industry of which one knows little?

In June 1960 a man wrote to me from Bristol about a book I had written (*Power at the Top*) which concentrated on the basic connections of the directors of state enterprises. He wrote: 'I thought you would like to know that I have just got your book out of the Bristol Public Library and I was the eighteenth person to read it....'

Citizens of a democracy with a mixed economy are expected to make fundamental political choices, yet they remain data-starved for most of their lives. Unfortunately most of the data produced from the left of centre in Britain is magnificently dense in texture. (So was most of Power at the Top.)

Now I would like to explain what I did at my publishers' behest. First, to the files of every TV programme company at the Registry in Bush House, to list the directors. My friends and I then checked the other directorships of each one of these directors and looked for cross-directorships. We high-lighted "powersensitive" companies, such as merchant banks, investment trusts and insurance companies. We noted concentrations of politically influential people: in determining the importance of the person concerned we used one simple rule: 'Who profits most?' I looked through the Stock Exchange Year Book for promising weaknesses in company structure. I commissioned searches through the share registers to find the owners, and then went back to those fascinating quarries of information and cross-connections, the great banks, to see what I had missed earlier. Of course, all this is not enough: if you haven't been doing this sort of thing for years you can still, in spite of all this, miss the key holding company. The practice (not permitted in the United States of America) by which shareholdings can be held by a nominee to cloak the real holder is also a baffling device. But if one does this research often enough certain names and connections become immensely familiar.

So it was with the independent television contractors. Behind the show-business people, the theatre controllers and the impresarios lay a tangled, but beautifully effective, intertwined control by the investing groups in society. In brief, the same banking, insurance and industrial interests that make up the nerve and motor centres of the British economy, also control the heartbeats of the commercial television programme contractors.

Some of the leading figures are different; I went to talk to most of them and their words are written down here. But they have a common drive to the familiar goal of maximization of profits which reveals their fundamental anti-progressive ethos.

Of course, this type of research has been gaily crucified by Mr Peter Sedgwick (New Left Review No. 2), who satirized the ambivalent attitude of the New Left to the Labour Party in describing an election campaign in which they might have participated. He wrote:

'Fortunately we have another candidate, endorsed unofficially by the Left Club itself. The Independent Left candidate, Josephus Tomkins (or Joe as he is affectionately known by his comrades), is Lecturer in Metaphysics at Lidchester University. His pamphlet, A Socialist Babies Plan, proposing the control of population by a Joint Committee of Government, T.U.C., and British Employers' Confederation, was widely acclaimed wherever it was understood. As Joe puts it: 'Babies are one of the growing-points of tomorrow in today.' Joe is a keen supporter of Free Cinema, has a splendid collection of vintage Jelly Roll discs, and practically lives in the "Barricade" (Lidchester's Left coffee-house). His 40,000-word election address, headlined "WHY BE ALIENATED BY THE HIDDEN INSIDERS?", is worth quoting. 'The blurred image of the corporate élite, buttressed by the lines of mass communication, is matched by no sustaining focus of humanist commitment. . . . What is more than ever necessary is an eschatological optimism, documenting the blind thrusts and shifts of the Stalemate State, carrying within itself the shaping ambience of community that can alone fire a concrete vision of the future in the here and now. . . The behavioural norms projected by the faceless pressures of Denmark Street and Notting Hill must be confronted by the imaginative resistances of the New Left Mood.' This forthright statement is followed by a double-page spread in small print showing all the 2,873 interlocking directorships of the Big Five Banks, and photographs of working-class children in slum streets.'

In Hollywood, in 1959, I talked to a producer on a nationallynetworked TV show. He lifted a magazine from his desk which contained a feature about American TV and its advertising. One paragraph went:

'As one TV producer explained it to me, "It's the nature of the beast. It's the only art form I know where art and commerce climb so quickly and shamelessly into the same bed. And you know who winds up getting seduced." He didn't say "seduced" either.'

At least, if you are being seduced, it is comforting, and prudent,

to know the identity of the seducer (and his secondary motivations).

That is what this book is about.

C.J.

The White Cottage, Little Henham, Essex. Do not adultery commit; Advantage rarely comes of it. Thou shalt not steal; an empty feat When it's so lucrative to cheat:

Bear not false witness; let the lie Have time on its own wings to fly: Thou shalt not covet; but tradition Approves all forms of competition.

Arthur Hugh Clough

## Chapter One

# A Beautiful Campaign: Who Benefited?

'Much the greater part of the profits of the programme companies arise from the evasion of the Television Act. . . . The profits of the smaller companies are also very substantial, and are also due in large part to evasions of the Act. In the case of these companies, moreover, no plea can be made that they took risks in the early years. Once they had been lucky enough to be granted contracts by ITA, huge profits were certain.'

MR CHRISTOPHER MAYHEW, M.P.

'[ITV]... is at the moment a monopoly. Four companies in one of the tightest rings ever devised run the show from the contracting and programme point of view. London is carved up between Associated-Rediffusion and ATV, the Midlands between ATV and ABC, and the North between Granada and ABC. The hold of the "Big Four", if I may so call them, over the so-called independent provincial stations is complete, in the sense that the latter are dependent upon them for at least 80 per cent of the programmes.'

LORD BOOTHBY House of Lords

All: The music, ho!

Cleopatra: Let it alone; let's to billiards.

WILLIAM SHAKESPEARE, Anthony and Cleopatra

Who wanted commercial television? There was no public clamour, the newspapers were apprehensive, and a number of leading industrialists frankly opposed the idea. Massed university vice-chancellors condemned it, and both the Church of England and the Free Churches were alarmed. Who wanted it? The answer is still not well known.

It was the advertising agencies. They had formidable allies who were more important than they were.

<sup>&</sup>lt;sup>1</sup> Conservative M.P.s now active in the advertising business include: (Taken from *The Business Background of Members of Parliament*, ed. Andrew Roth, revised 1960 Edition.)

Since then, too, some of their less significant supporters have managed to retain the advantages of their inside position. But it was the powerful agencies who honed the cutting-edge of the campaign for commercial television.

Lord Waverley, a former Conservative Minister and ex-Governor of Bengal, said that the Government had conceded commercial TV to a back-bench pressure group of an intensity and ferocity which he had never known in the whole of his public

M.P.	Constituency	Firm
Julian M. G. Critchley	Rochester and Chatham	Executive of Raynor, Webber & Stiles Ltd.
Anthony Fell	Yarmouth	Director: Hodgkinson Partners Ltd.
R. Gresham Cooke	Twickenham	Director: Sidney-Barton Ltd.
John Hall	Wycombe	Director: Mark Fawdry Ltd.
R. Hornby	Tonbridge	J. Walter Thompson Co.
Kenneth Lewis	Rutland and Stamford	Owns Public Relations firm
Ian MacArthur	Perth and E. Perthsire	Associate Director: J. Walter Thompson Co.
W. F. Martin Maddan	Hitchin	Director: Television Audience Messurements Ltd.
R. G. Page	Crosby	Director: Greenwood Developments Ltd. (advertising); James M. Greenwood Advertising Ltd.
C. W. C. Tumer	Woolwich West	Director and General Manager: Colin Turner (London) Ltd.
Lady Tweedsmuir P. G. Williams	Aberdeen South Sunderland South	Campbell Johnson Ltd. Director: Hodgkinson Partners Ltd.
R. C. Brooman-White (Scottish Whip and Lord Commander, Treasury)	Rutherglen	Ex-Director: Mills & Rockleys Ltd.
J. C. Rodgers (Parliamentary Secretary Board of Trade)	Sevenoaks	Ex-Director: British Market Research Bureau Ltd., 1931-59; J. Walter Thompson Co. Ltd., 1931-59.

life.<sup>2</sup> He was probably speaking about the same nucleus as Mr Christopher Mayhew, in July 1953, who said:

"... Support for commercialization in the House of Commons is very narrowly based. I have done some research in Hansard about the proceedings in Parliament since the White Paper on Broadcasting was published. I find that 53 speeches, questions and interruptions have been made—other than by ministers—in support of commercial TV. Seventy-nine per cent of these have been made by seven very active M.P.s, of whom four have declared themselves to be "interested parties". . . . The real instigators of the campaign for commercial TV are a tiny number of active and influential advertisers, advertising agents and radio manufacturing firms, pre-eminent among them the American-controlled advertising agency, J. Walter Thompson & Co. Ltd. This firm has campaigned for years for commercial broadcasts.

'In 1944, its London office stated: "If domestic enterprise fails to provide the means, through the British government or the BBC, our clients in Britain can be reached from America whether the authorities like it or not."

'It is perhaps fitting that the introduction of the American type of TV into this country should owe so much to the agitation of an American-controlled firm. It should be noted that one of the five M.P.s so actively supporting commercialization is a director of the firm.

'Next to J. Walter Thompson & Co. Ltd., the most active supporter of commercial TV is probably the well-known firm of radio manufacturers, Pye Ltd. The Managing Director of this firm, Mr C. O. Stanley<sup>3</sup> is a director of the Associated Broadcast Development Company, the leading firm directly promoting commercial TV, and also a member of the Television Advisory Committee. Another of the five "militant" M.P.s is connected with this firm.

'These men are the real supporters of commercialized TV.'

Other American interests were also sending reinforcements to help the military-styled push for commercial TV in Britain. As

<sup>&</sup>lt;sup>2</sup> Mentioned by Mr Tom Driberg, M.P., in the New Statesman, 5 December, 1959.

<sup>&</sup>lt;sup>3</sup> Who is mentioned in Chapter Two as a director of Associated-Rediffusion Ltd.

early as October 1952, a Vice-President of the major United States' McCann-Erickson agency could say, proudly,4

'And, incidentally, we don't wait until TV is a going concern in a country to start this. For instance, commercial TV appears imminent in England. Perhaps it'll arrive in a year or so. But we've already spent some thousands of dollars on research in England so that our clients will have some knowledge of TV's commercial potential there. And one of our London executives has spent more than a month here, getting the feel of American TV and working with our programme and commercial people. He went back loaded with material. And we are training a skeleton TV staff in England at the moment.'

The Labour Party seemed clear enough on the question of where the pressure was coming from. It announced:

'We will also resolutely oppose the introduction of commercial TV. This service, which is bound to exercise a growing influence on our national life, must serve values and purposes which the nation approves—not those which the advertising agencies force upon us.'

<sup>4</sup> Mr A. J. Scalpone, Vice-President, McCann-Erickson, Inc., at the International Advertising Group Meeting Eastern Annual Conference of the American Association of Advertising Agencies. 28–29 October, 1952.

<sup>5</sup> Mr A. J. Liebling, of the *New Yorker*, wrote in the *Observer* for 27 September, 1959: 'A week ago I was in the office of Mr Geoffrey Tucker, a civilized and intelligent young man at Colman Prentis and Varley, the advertising agents, who writes the advertising copy for the Conservative Party. Samples of other products he writes copy for—Lyons Ready-Brek, Lyons Maid, Harvey's Milk and Cream Sherries—graced the wainscot in back of him, and we talked objectively of the trends in public emotional-pattern-evolution that condition buyer-response to whatever you have to sell.

"Surveys," Mr Tucker said hopefully, "have shown an increasingly unfavourable public image of trade unions—strikes and that sort of thing. They also, I am afraid, show a generally unfavourable reaction to the City. People distrust it—it's something mysterious. But, luckily, this feeling is hard to crystallize. It's very vague. A great many people feel that there's some kind of jiggery-pokery going on, but they can't verbalize their complaints."

'And in default of fighting issues, Mr Tucker thought that the election would be decided on the steady advertisement of the prosperity that, he thought, the Conservative Government had brought. (He was himself

What did they get out of it? Four years later (for the year of 1959) the top twenty agencies, using the commercial TV programme contractors, accounted for a combined expenditure of £38,798,042 in that medium out of a total figure of £57,912,812 for all agencies. This was split up in the following way:

	£
J. Walter Thompson	4,224,695
Masius & Fergusson	3,589,422
LPE TV	3,250,190
S. H. Benson	3,228,380
Young & Rubicam	3,146,005
Lintas	3,056,257
Erwin Wasey, Ruthrauff & Ryan	2,847,339
Mather & Crowther	1,890,348
G. S. Royds	1,734,333
Foote, Cone & Belding	1,428,468
Colman, Prentis & Varley	1,385,451
Lambe & Robinson—Benton & Bowles	1,372,144
Hobson, Bates & Partners	1,243,511
A. Pemberton	1,099,367
McCann-Erickson (Advertising)	1,084,596
S. T. Garland Advertising Service	1,004,905
Service Advertising	874,499
Pritchard Wood & Partners	824,632
W. S. Crawford	761,886
J. Haddon & Co.	751,614

On what did they spend these huge sums of their clients' money? At the top of the twenty biggest individual spenders were three soap firms. But a glance at the whole list is enough to make a

fighting the seat at Stoke-on-Trent, where, he admitted, prosperity had not soaked in quite deeply enough to flatter his chances.)

"The working girl today dresses as smartly as a duchess," Mr Tucker said. "In fact more smartly than some duchesses." He nodded towards a secretary, in a smarter-than-most-duchesses frock, who sat in one corner of the room. She did not appear to be dressed precisely like the working girls in stationers' shops where I buy carbon paper, but I nodded, too.'

<sup>&</sup>lt;sup>8</sup> Gross before discounts.

serious-minded citizen wonder whether it was worth it (let alone whether it was justifiable). This is how the money went:

		£
(1)	Daz	670,380
, ,	Persil	575,826
(3)	Omo	547,532
(4)	Birds Eye frozen foods	543,311
(5)	Tide (blue)	520,027
(6)	Surf	518,999
(7)	Stork margarine	503,262
(8)	Camay toilet soap	493,190
(9)	Tide (white)	464,469
(10)	Maxwell House coffee	406,452
(11)	Hotpoint washing machines	391,278
(12)	Butlin's holiday camps	368,737
(13)	Fairy Snow washing powder	367,819
(14)	Flash	325,305
, -,	Oxydol soap powder	301,513
(16)	Kit-e-Kat cat food	288,044
	Hoovermatic	282,080
(18)	Macleans toothpaste	276,812
(19)	Spangles	271,294
(20)	Kellogg's cornflakes	268,374

In one quarter of 1959 10 per cent of all TV advertising expenditure was provided by soap and detergent manufacturers, with tobacco firms topping 5 per cent.

In the same three months, two firms, Beechams and Unilever, together spent £2½ million (or as much as all the advertisers put together for the first three months of commercial TV in 1955) and four firms spent more than £1 million each.

A breakdown shows soap and detergents first, followed by cigarettes and tobacco, soft drinks, sweets and chocolates.

Every month about 1,000 advertisers use about 220 agencies to buy rather more than 100 hours of TV space. The money went to the programme companies in these proportions in 1959:

		per cent
Associated-Rediffusion	got	21.3
ATV	"	20.6
Granada	,,	20.2
ABC	13	13.6
TWW	**	6.5
STV	,,	6.3
Southern	"	5.8
Tyne-Tees	"	4.8
East Anglia and Ulster		
(which began in October)	**	0.9

But by June 1960, it became staggeringly obvious that 1959's £58 million would be increased to £80 million for 1960, and that it would go to the bigger companies in slightly different percentages (with Granada TV moving up the table):

			per cent
Associated-Rediffusion	would	get	21
Granada	1)	11	20
ATV	,,	,,	19
ABC	,,	1)	14
STV	11	11	6
TWW	,,	11	6
Southern	,,	,,	5
Tyne-Tees	**	"	5 7

This in-pouring of income has had an important side-effect:

'The programme companies' wealth enables them to spend vast sums on straightforward public relations. Huge advertisements appear in the national newspapers: those in the serious newspapers featuring the serious ITV programmes, and those in the popular newspapers featuring the popular programmes. M.P.s and others are showered with beautifully produced verbatim transcripts of documentary programmes (often well below BBC standards) carrying the suggestion that these are characteristic of ITV's output in normal viewing hours. Amid great publicity, a small fraction of the programme companies' excess profits is paid as conscience money in grants to universities, art galleries and drama schools.' <sup>8</sup>

Financial Times: 14 July, 1960.

<sup>&</sup>lt;sup>8</sup> Christopher Mayhew, M.P., in a Fabian Pamphlet, 1960.

Was the viewer impressed by all this? Early in 1959 the European Broadcasting Union review quoted a poll which revealed that 27½ per cent disliked the 'commercials', 22½ per cent liked a few but disliked most, 24½ per cent liked most but disliked some, while 22 per cent liked them.

Mr Bernard Sendall, Deputy Director of the Independent TeleVision Authority, took this to prove:

'... that even those viewers who actively dislike advertisements on television, and would prefer not to have them, tolerate them rather than dispense with the independent programmes....'

But there is obviously a very large number of people who, taking everything into account, would much prefer to have their entertainment and instruction free of advertisements. Their opinions have been largely ignored since 1952.

The first blow struck for commercial television and radio stations which can be truly characterized as a part of the campaign that ended with the passing of the Television Act into law was contained in a minority report of the Beveridge Committee on Broadcasting, which was set up in 1949.<sup>10</sup>

This dissent was written by a lawyer who subsequently became a Member of Parliament, a Conservative Foreign Secretary, and then Chancellor of the Exchequer—Mr Selwyn Lloyd. He argued:

'It therefore seems that the most important question submitted to us is whether it is right that the control and development of this means of informing, educating and entertaining should remain with a single body of men and women. While acknowledging gladly the great gifts and high principles of those in authority at Broadcasting House, I cannot agree that it is in the public interest that all this actual and potential influence should be vested in a public or private monopoly.'

He was the first to point the way to the strategy of arguing against the BBC's monopoly of sound and television transmission, and he

Impact: March 1959.

<sup>&</sup>lt;sup>10</sup> Report of the Broadcasting Committee 1949, presented to Parliament in January 1951; Cmd. 8116.

seized on an apparently unguarded statement by the first Director-General of the BBC (Lord Reith). He wrote:

'These arguments against monopoly are formidable. To me the most serious of them is the last. Lord Reith, on the other hand, gloried in the power of the BBC:

"It was the brute force of monopoly that enabled the BBC to become what it did; and to do what it did; that made it possible for a policy of moral responsibility to be followed."

I do not like this "brute force of monopoly" and I am afraid that its dangers in regard to this medium of expression are both insidious and insufficiently appreciated by the public."

<sup>11</sup> The unprincipled argument against monopoly appeared to be supported by other bodies who submitted evidence having an entirely different purpose. Their views were subsequently perverted by the campaigners for commercial TV. For example, within the evidence submitted by the Labour Party to the Beveridge Committee was this passage (which was echoed by the Trades Union Congress):

'The BBC, like many other businesses and services, looks on members of its staff with Socialist views as being dangerously political in outlook, but takes the curious stand that those with anti-Labour views are somehow non-political. As a result, anti-Labour bias appears in programmes as a matter of course; only Socialist views are questioned ... It seems that in the past the recruiting of programme staff has been confined to too narrow a field, mainly to University graduates whose experience has been restricted to their school and university careers.

'We take the shortcomings in the BBC's handling of social and economic questions to be the result, in part, of a certain social bias among many members of its staff, deriving no doubt from too narrow a field of recruitment.'

The Fabian Society had also said:

'... On the staff side, the centralization bred of monopoly has also become a defect and not a merit. The pyramid system, with the Director-General as its apex, had its advantages in the early days of broadcasting when the opportunities were limited, the medium was new, and the staff was small, but the organization now is too large to be controlled by one man. Despite the creation of an internal Board of Management it has proved impossible in practice to create a satisfactory organization to share his responsibility. Staff concerned with production frequently feel that their prospects and conditions of work are governed by rules and decisions taken by remote officials whom they do not know and who have no first-hand knowledge of their work; and the lack of any alternative employment in radio and television makes such feelings more acute.'

He pursued his attack on the BBC by commenting:

'Against competition depending in any way on commercial sponsoring the BBC put forward additional arguments. They say that the social purpose of the BBC will be lost, and that programme content will pass to the hands of people caring only for the making of money, and no doubt they think that the air will be sullied by advertising matter.'

However, his next paragraph reads extremely oddly after some five years of commercial television. Dealing 'first with the argument that any competition must debase standards', he said it was quite untrue as far as large cities like New York were concerned that 'unrestricted competition there has forced everything worthwhile off the air at good listening times', and added:

'Another BBC argument is that, quite apart from the iniquity of profit-making, programmes would be put on the air for the wrong reasons, not in furtherance of the art of broadcasting but to enable their sponsors to either sell goods or propagate certain ideas. Is not this splitting hairs? Goods would not be sold nor ideas propagated unless an audience were to be attracted. The main purpose in putting on a programme would be to get people to listen to it or to view it. May there not be hope of thus getting the best entertainment, the best type of drama, the outstanding sporting events, and the most popular forms of discussion and talks?'

Even American journals, 12 while conducting a post mortem on their own television quiz scandals, have criticized British commercial television. For example:

'Some of the advertising on British television would run into trouble in the U.S. There is a lot of patent-medicine, "cure all" advertising. Also, advertisers use slick practices to denounce their competitors' products and build up their own.'

The American press has also noted with interest that while the BBC has classified 35 per cent of its peak time telecast as 'serious', the commercial stations on average would only say that they were

<sup>12</sup> U.S. News and World Report: 30 November, 1959.

allocating 11 per cent of their choice viewing time to non-frivolous items.

The point has also been made that many of the widely-screened programmes on ITV are American and that both channels carried 'many old American movies' with, at peak viewing times, 'perhaps 50 per cent of American or American-inspired shows'.

The concept of arguing for commercial TV by criticizing the BBC monopoly awakened support among a number of influential persons who were unhappy about the BBC's reverence for powerful institutions. Mr Henry Fairlie expressed this feeling in bitter fashion four years after the BBC had been given a rival.

'What makes the influence of the BBC on the life and mind of the nation so baleful is the wash of "gentle persuasion", as Muggeridge described it twenty years ago, "patiently wearing away angular opinions; like waves on a beach, ebbing and flowing, transforming rocks and stones into smooth round pebbles, all alike ..." This is its true mission. It fears, and when it does not fear it despises, nonconformity; and, if non-conformity must be allowed its say, it will gently rob it of all anger and all laughter, of all passion and all heartache, until it lacks both pith and point." 13

Such respected and independently-thinking figures as Canon John Collins were induced to sponsor the Popular Television Association which was the principal 'broad front' propaganda apparatus of the merchandisers. As he said to me, 'I was asked by a friend, and I was so critical of the BBC, I said, of course; put me down. If I had had the time since I might have dissociated myself.'

The Popular Television Association's activities were paralleled or meshed-in with those of the Conservative Party organization, and a lavish machine-tooled campaign was launched.

This pressure at once attracted its own results. At 4 p.m. on Thursday, 18 June, 1953, Lady Violet Bonham-Carter held a meeting in her house at 21 Hyde Park Square. A distinguished

<sup>13</sup> Encounter: August 1959. The contrary view was expressed in October, 1957, by Mr Beadle of the BBC TV. He wrote:

'What is BBC policy? It has been stated as keeping slightly ahead of what is commonly supposed to be public taste. That has sometimes been misinterpreted as a desire to improve the human race, a "holier than thou" approach. But this is all absolute tripe.'

group of persons were present<sup>14</sup> to hear Mr Christopher Mayhew, M.P., <sup>15</sup> move two resolutions setting up a National Television Council 'for the purpose of resisting commercial television and encouraging the healthy development of public-service television in the national interest . . . '

These resolutions were accepted, and the minutes of the meeting record, interestingly, that Mr William Clark urged that the setting up of the Television Council should not carry with it the suggestion that the Council regarded the BBC as perfection. This proposal was generally agreed.

The meeting later decided that the Council's programme of activities should include pressure on Conservative M.P.s, letters and resolutions from representative bodies, deputations, press and poster publicity, letters to the Prime Minister, correspondence in the Press and the provision of speakers for meetings.

At this stage, Mr Tom Arnold asked whether a campaign of advertising in theatres would be useful, adding that he thought 'the service could be arranged to be given free'.

At a later meeting, the Organizing Committee of the National Television Council decided to lay stress on letters to newspapers, but, knowing their public, with particular reference to the Daily Telegraph.

- <sup>14</sup> Lady Violet Bonham-Carter (in the chair), Dr W. P. Alexander, Mr Tom Arnold, Mr Gordon Barry, Lord Brand, Mr Frederick Carter, Mr William Clark, Mr R. E. Goodwin, Prof. Julian Huxley, Sir Gerald Kelly, Mr Sydney K. Lewis, Mr Christopher Mayhew, M.P., Sir Walter Moberley, Mr Alderton Pink, Mrs Dorothy M. Roberts, Mr Alan Sainsbury, Lord Samuel, Mr E. Shackeleton, M.P., Miss E. Sprott, M.B.E., and Miss Ruth Walder.
- 16 It was piquant to see later (Audio-Visual Selling: 10 July, 1959) that a company entitled Central African Television Ltd., which was bidding for an appointment as television contractors for the Rhodesian Federal Broadcasting Corporation, amalgamated together not only ABC Television, Associated Television, Lord Derby and the President of TWW, but also Mr Christopher Mayhew, M.P., whom A-V.S. has dubbed 'one of the fiercest critics of TV advertising in this country'. Granada Television had a separate bid in but withdrew it to join in with the other British contractors who teamed up with the NBC of America (A-V.S.: 24 July, 1959). This consortium eventually lost out to Rhodesia Television (Pvt.) Ltd., in which Mr Roy Thomson, chairman of Scottish Television, has an investment of £15,000.

In the minutes of the Organizing Committee the financing of its activities came in, naturally enough, for regular attention. A group of unnamed businessmen at one stage made an offer of some assistance, although it seems doubtful whether this was substantial, as the total sum of money spent up to the time of the private General Meeting on 25 February, 1954, was only £1,259 55 7d, which included staff salaries, accommodation and printing. In general, therefore, it seems clear that although there were powerful interests represented within the National Television Council, their financial support was small and there was simply no comparison between this and the financing of the expensive and highly-organized pressure group work of the Popular Television Association.

The Council's thinking, too, was a bit restricted. As late as 11 July, 1953, the Organizing Committee of the National Television Council thought that the Government might still be deterred from proceeding with commercial television and, in fact, issued a press statement which said:

'Whilst it also welcomes the clear evidence in the Statement [the Government's Statement on television policy— $C.\mathfrak{F}$ .] that the Government is properly sensitive to the growing tide of public opinion against commercial television, none the less the National Television Council regrets that the Government still appears to be contemplating the introduction of commercial television despite the widespread and influential expressions of opposition from responsible people of all shades of opinion.'

#### It went on to note:

'the list of some of the principles under which the Government suggest commercial television might operate only confirms the view that no adequate safeguards of the public interest can be devised under a system of television controlled by commercial interests.'

In some ways, the work of those who opposed commercial television was impeded by influential people within the National Television Council itself.

At one meeting, the Organizing Committee was told that the Conservative Party was distributing a document which they thought 'contained many fallacious arguments'. They debated issuing one of their own pamphlets to Conservative Party Associations, and it was decided to seek the views of the President of the Council, Lord Waverley, who, it had been earlier indicated, 'could only undertake the presidency as a figurehead. . . . ' He advocated caution, and even when it had become clear that the Conservative Party's Central Office was organizing a vigorous campaign, he opposed action by the Council in a letter which contained the following passage:

'On the whole I am against the suggestion. It seems to me that such a communication might well be resented as an unwarrantable intrusion by many who share our point of view and might, by provoking a spirited appeal to party loyalty, do much more harm than good. In any case, I think any communication to Party Associations should be part of a wider distribution.

'My own view is that we are in a period when the excesses and maladroitness of our opponents are likely to do our cause more good than any vigorous activity on our own part. I would, therefore, deliberately refrain from turning on the heat until the Government have shown their hand in a White Paper and given us more specific targets for attack.'

Lord Waverley was also opposed to a public meeting later in 1953, and a reservation made at the Central Hall had to be cancelled. These inhibitions on action by the Organizing Committee contrasted strangely with strong statements they were issuing, such as:

'The National Television Council strongly opposes the White Paper Scheme. The Government apparently now recognizes that programme control by advertisers is undesirable and that commercialization involves a danger to TV standards. But the scheme opens the way to both these evils.

'The incomes of everyone engaged in the programmes will be paid for by advertisers. Even the Corporation will depend on advertising revenue for the repayment of its loans. In the long run, therefore, the programmes will conform with the advertisers' interests and wishes, and the Government will have opened the way to a far-reaching debasement of TV standards. 'The scheme involves a fatal division of responsibility between the advertising and commercial interests on the one hand and the National Corporation on the other.'

In spite of some devoted campaigning, which included the services of Lord Hailsham, the General Meeting of the Council were told by him, on 2 February, 1954, 16 that:

"... although the Council had failed in the first line of defence it had nevertheless hit the Government very hard. We had to consider what the future attitude of the Council would be, he added, and that in his view the use of the Council would only just be beginning if and when commercial television was introduced, although the immediate task was undoubtedly to oppose its introduction in the hope of stopping it, or effecting the maximum amendments. Lord Hailsham was of the opinion that those who believe in public-service broadcasting will require for many years to devote energy, time and money to the pleading of its cause. The task, he reiterated, was just beginning."

He was seconding Mr Mayhew's resolution which said of the Government's plan that 'this would lead to harmful influences upon the programmes and a lowering of television standards'. It urged 'the early introduction of a balanced alternative programme and public-service lines financed by licence fees'.

The attitude of certain industrial interests was discussed from time to time, and it is recorded that a letter was sent to Mr G. Wilson, the managing director of Raleigh Industries Ltd., 'with a view to the possibility of the joint opposition of bicycle manufacturers to commercial advertising on TV'.

It was made clear that Mr Wilson wanted to think about this, but he volunteered the information that 'Mr Arthur Chamberlain, of Hercules Company, a subsidiary of Tube Investments Ltd., was of the opinion that cycle advertising should be banned on television'. 17

The Theatrical Managers' Association was certainly worried.

<sup>&</sup>lt;sup>18</sup> Minutes of the N.T.C. General Meeting, Thursday, 25 February, 1954.

<sup>&</sup>lt;sup>17</sup> Minute 10c, N.T.C. Organizing Committee, Thursday, 17 September, 1953.

At one stage, the Association warned the National Television Council that the campaign in support of commercial television was now spreading to Rotary luncheons and other functions.

The interests opposing the introduction of commercial television were powered by extremely diverse motives. Their arguments, although skilful and presented, both inside and outside the Houses of Parliament, in an intellectually attractive way, were under-powered and inadequately financed. In their last statement issued to the Press, 18 there was a fatalistic ring:

'The Council has discussed the selection and appointment of programme contractors by the Independent Television Authority and considers that its worst fears of the consequences of the Television Act are already being fulfilled. It regards the incursion of the largest newspaper chains into the field of television as extremely dangerous and undesirable. Moreover, commercial television will badly need the check of independent criticism by the newspapers and this will certainly not be forthcoming under the proposed arrangements.

'The National Television Council cannot regard as a just situation, however reached, one in which newspapers supporting only one of the political parties will be programme contractors. If a fair balance of opinion cannot be obtained—and it appears almost impossible to achieve this in practice—it would be better to exclude from key points of the new organization all interests with strong political ties, whatever party they support.'19

<sup>18</sup> Issued 4 November, 1954.

<sup>19</sup> They had a point. Mr John Gordon editorialized in the Sunday Express 24 July, 1960:

<sup>&#</sup>x27;Reporting on the effect of television on children, a committee set up jointly by the BBC and commercial TV criticizes the programmes in the hours when children are viewing as "drivel". There is too much brutality in them it says. They are "spiced with sadism" and they "debase moral standards".

<sup>&#</sup>x27;The Daily Express supported the report. The Daily Mail, the News Chronicle and the Guardian didn't.

<sup>&#</sup>x27;The Daily Express has, of course, no connection with TV. But by a curious coincidence the disapproving newspapers all have a financial stake in it.

<sup>&#</sup>x27;When an M.P. speaks in Parliament on a matter in which he has an interest, he declares his interest. Shouldn't newspapers observe the same good rule?'

The situation was not surprising: an opposition which was, in essence, led idealistically proved unable to prevent the climax of a highly integrated, realistically financed campaign which had been operating inside the Government party for a period of years.

A number of supporters of the Council subsequently became involved in the programme contracting companies themselves. The exceptions, of course, were those linked with (and possibly briefed by) the BBC, which naturally had a persistent attitude of hostility to the contracting companies.

This pattern of events may be about to be repeated. The Daily Express reported on 18 January, 1961: "Tory Party Head-quarters are getting a new chief publicity officer. He is Mr George Hutchinson, 38, until recently political correspondent of the London Evening Standard. He will take over in early spring. He replaces 47-year-old Mr Ronald Simms who is becoming managing director of a publicity firm.

'I have further news of Mr Simms' plans. He will be associated with a big new publicity campaign to get commercial sound radio introduced into Britain.'

When Lt.-Gen. Sir Ian Jacob retired from the post of Director-General of the BBC, at the end of 1959, to join the Board of Fisons Ltd.<sup>20</sup> (the £30 million chemical and fertilizer company), the *Daily Express* said of his successor, Mr Carleton Greene<sup>21</sup> that he was:

'A determined enemy of commercial TV, a man who will pull no punches in the battle to maintain standards—and independence.

"Radio and TV are too powerful in their potential long-range effects for their control to be entrusted to politicians—or businessmen," he has said.

'This means that under its new chief the BBC will never relax its standards.'

<sup>&</sup>lt;sup>20</sup> Another director of Fisons Ltd. is T. M. Bland, vice-chairman of Barclays Bank which is linked with Lazards, the merchant bankers, through one of their managing directors, Mr A. D. Marris. Lazards are connected with Associated-Rediffusion. Another Barclays' director is the chairman of Whitbread & Co. Ltd., Col. W. H. Whitbread. He is a director of Eagle Star Insurance Co., which has a series of connections through cross-directorates with almost all the contractors.

<sup>21 21</sup> July, 1959.

But what were the standards that were set over the years? Were they different from those of the 132 commercial television stations in the Western world? These have grown from fifty-two in twenty-nine countries at the beginning of 1959 to their present number in thirty-nine countries by July 1960. In January 1959, commercial television programmes were received on 69 million sets. At the end of 1960 (without making any allowance for new reception areas) it is estimated that the figure will have increased to 86 million sets.

But what of the standards?

Mr John Freeman recently wrote an extraordinarily sharp article; he said:22

'For the last month, then, I have been viewing—a captive, though increasingly restless audience. I think more practitioners of television should be made to do the same: it is a sobering experience.'

It was, in fact, so sobering, that he wrote:

'I emerged from the long vigil driven half mad with irrational frustration and resentment directed, perhaps unreasonably, at some of the nation's best-loved figures. John Morgan—himself no mean practitioner before the camera—who can be roused to fury by even an ordinary evening's viewing, tells me that he is accustomed to relieve his feelings by shouting at the set; while Harry Secombe (bless him) is said to draw moustaches with a chinagraph pencil on specially irritant faces as they appear. More seriously though, I cannot help feeling depressed and alarmed by the utter triviality of nine-tenths of the flood of pictures which are so earnestly and expensively hurled at us.'

He went on to query the whole range of programming:

'What ought we to expect of this medium which now dominates the leisure life of most of the people most of the time? Ideas? Instruction? Entertainment? Or just the gentle, ceaseless, scarcely perceptible erosion of the angularities of free will and personal responsibility? The last is what I fear we are getting. This is not primarily a plea for more serious programmes but for more good ones. Indeed it is in the field of light entertainment that the gulf

<sup>22</sup> New Statesman: 28 May, 1960.

between the good and the bad is most obvious. Look through any specimen week in the *Radio Times* and the *TV Times*: how many programmes which can be reasonably described as light entertainment hold the slightest hint of any sort of quality? . . . all told, not more than a couple of hours or so a week.'

The reason was obvious, he suggested: there was not enough talent to go round. But he then appeared to contradict himself:

'... because viewing figures suggest that light entertainment is the surest way of pulling in the mass audience, commercial pressure dictates that what talent there is must be more and more diluted in a polluted sea of comedy shows, crude Westerns, quiz games and teenage vocalists. Nor is this necessarily a passing phase. As the hours of television increase, the quality seems to me to be falling; and a new generation of entertainers has little or no incentive to aim higher than the low standards which already ensure popular success.'

These criticisms had, of course, been made over the past three years by individuals, educationists and television critics. Notable amongst these had been Mr Maurice Richardson, of the Observer. In the autumn of 1959 he wrote:<sup>23</sup>

'With the election taboo until dissolution day, and the Krushchev visit coming over in recorded glimpses, most of last week's viewing had an oblique centrifugal slant. And with the so-called new autumn programmes comes the reminder that the aim of commercial television is to go on making millions.

'This is when those mad holiday hopes for a rapid all-round rise in quality towards TV fit for an admass of 50 million philosopher-kings get dashed against the reality of canned entertainment, tamratings, and the conviction of show-biz tycoons that although a spot of culture is very tasty, for the egg-headed minority, it can only be the trimmings on top of a healthy diet of people's opium. At such moments you feel you would cast your viewer's vote for any party that was pledged to give the third channel to the producers of "Panorama" and "Tonight".'

Earlier that year I asked Mr Paul Adorian, managing director

<sup>&</sup>lt;sup>23</sup> 20 September, 1959.

of Associated-Rediffusion,<sup>24</sup> about this. A passage at the end of an interview went like this:

Jenkins: The Observer has been making some cultural criticism of you. What do you think of its attitude?

Adorian: The Observer's attitude? I don't know; what is their circulation? One-seventh of the TV Times? And we have only been going three years.

Mr Adorian's riposte was typical of many of the chief executives in the programme contracting companies. Mr Roy Thomson told me that 'minority interests were over-catered to in Great Britain'25 and defended the popular mass-entertainment programmes on the basis that they 'brought a little sunshine into people's lives' and were not 'morbid'.

The British Screen and Television Writers' Association have raised another issue concerning programmes which is of such general cultural concern that, in the words of a statement made by Mr Dudley Leslie, their vice-president, 'we demand no less than the resignation of Sir Robert Fraser, Director-General of the Independent Television Authority, who is not keeping strictly to the terms and spirit of the Television Act'.26

His point was there that was a massive infiltration of American scripts, ideas and shows into the programme contractors' schedules, of which it had frequently been said by Government spokesmen that they would be representative of British talent and social texture.

The Daily Express developed this point in a feature and reported the following facts about 'Dollar Vision, the quiet Americanization of commercial TV':

- '(1) Almost all the half-hour film series which come under the British quota—"Robin Hood", "Sword of Freedom", "Ivanhoe"—are mostly written and produced by Americans.
- '(2) Every one of the daily quiz shows on commercial TV is a version of an American programme, except "Turnabout", which is Canadian.

26 Daily Express: 21 July, 1959.

<sup>&</sup>lt;sup>24</sup> Personal interview with Mr Adorian 29 May, 1959. See Chapter Two, page 90-91 for a more complete account of the interview.

<sup>&</sup>lt;sup>25</sup> Personal interview with Mr Roy Thomson, 10 June, 1959. See Chapter Six, page 181, for a more complete account of the interview.

- '(3) Commercial TV is buying up hundreds of old United States comedy scripts so that British comedians can palm them off as original. Dickie Henderson's current success is based largely on sketches used in New York by Sid Caesar.
- '(4) Drama is becoming overweighted with plays from across the Atlantic.'

#### The bitterest criticism came last:

'Five of the last ten Granada plays were American. Six of the last sixteen ABC dramas were American or Canadian. Hardly any contemporary British TV plays are finding their way on to TV screens in the United States.'

After some years of commercial television, it had become obvious that many of the film series made, even of British subjects, had become diluted into a 'mid-Atlantic' condition, where American words and phrases had become partially Anglicized and British expressions and concepts had become partly Americanized.

The Council for Children's Welfare mentioned this in a report on early evening viewing published on 19 October, 1960. The Daily Express reported:

'Ten parents viewed both channels all last winter.

'They saw close-ups of a man tortured with a hypodermic syringe, a villain "disposed of" in boiling acid, knife fights, whippings, and sadistic brutality towards women.

"The visual impact of fighting is often reinforced by the very noticeable sound of fist meeting flesh and bone," says the report.

"It is the sum total of violence which is high, with about nine or ten hours a week on ITV alone—520 hours a year.

"Most of these programmes are either American or Americantype films bought comparatively cheaply."

'The report adds: "The most obvious difference between BBC and ITV was that BBC had a far greater variety of content giving a well-balanced evening's viewing.

"On ITV the evenings are crammed with crime series, Westerns, variety shows, and quiz games week after week."

The control of so many British advertising agencies by American interests, may also be a powerful influence on this matter. In

addition to American companies long-established in Britain, fresh links have been formed between substantial groups on both sides of the Atlantic. In July 1959, John Hobson & Partners Ltd. ('one of Britain's biggest placers of television advertising'<sup>27</sup>) announced its merger with Ted Bates & Company Inc. of the U.S.A.

John Hobson & Partners, then, had billings of approximately £3 million annually, and Ted Bates Inc. is the fifth largest advertising agency in the world, with billings of approximately \$120 million.

Many other criticisms have concerned the advertisements themselves, such as those advanced by Mr Paul Ferris: 28

'The British television admen—from the advertising agencies, the film-making companies and the programme contractors—all have the same explanation: where we cheat it is only a technicality. Real stout has froth but it disperses too quickly: use plaster froth. Ice-cream melts under camera lights: use mashed potato. Chocolate gets sticky: use a nice bar of wood. Strawberries are out of season in January: make plastic strawberries. It is, as they say, as harmless as retouching photographs.'

# But he went on to say:

'But if the real thing can't be shown, who is to decide when the substitute has been brought to precisely the same pitch of perfection as the product that you buy in the shop? This is a question that vexes honest souls in the ad business.'

Of course, the Independent Television Companies' Association vets all scripts and insists on proof of claims but, as advertisers say, 'who can measure a shine, a taste or a sensation?'

A producer of television commercials said to Mr. Ferris that the presentation of polish, for instance, is a delicate matter:

'The manufacturer says, "We want to see the woman's face in the table." We polish a bit harder but it isn't enough. So the agency says, "Let's cover it with a black glass top"—a sheet of glass with black velvet under it. This isn't using the polish now, it's gone beyond.

'The manufacturer will say his polish isn't fairly represented by

<sup>&</sup>lt;sup>27</sup> Audio-Visual Selling: 10 July, 1959. <sup>28</sup> The Observer: 3 January, 1960.

the television screen. But quite obviously no polish on God's earth is going to give you a black-glass mirror effect when you put it on wood. Artificial dust? Oh yes, you cover the surface with fuller's-earth, or something, then you take a cloth and say "In one moment—wheet! what a wonderful shine!"

Of course, there is another side to this. The Observer went on to describe:

'Excessive ethics, one agency man pointed out, are a trap and hindrance if you have to earn your bread and butter pressing the claims of the mass market. And to take these visual deceptions seriously, he added, was "shooting at gnats". Still he made some nice points about the selection of people to appear in TV commercials.

'He said: "I've been out with the market researchers. Women come to the door wearing four sweaters, with their hair in curlers—but can we show them to themselves like that? The degree of realism is the subject of constant discussion, but if you show women looking like the wrath of God, the way they do, they would not recognize themselves.

"They are starting to use real interviews now, filmed in the street but they choose the women with great care. They want some realism, they want identification, but if you go too far it's 'that goddam slut up the road'—correction, 'goddam' wouldn't be the word they'd use. Of course there was the matter of the washing machine, a small model introduced with a big campaign. Now you don't want to tell a woman that she's getting a little washing machine. You tell her that it's an exciting washing machine. You tell her it in terms of 'will fit into the modern streamlined kitchen—will fit under the draining-board.'

"You explain it in terms of convenience. You never say 'it's little." He hesitated. "And you get a dwarf-sized woman to stand beside it."

It seems clear that the influence of advertising agencies is pervasive, persuasive, and usually quite decisive. This is not unlike the situation in the United States, where the 'rigging' of programmes was apparently effected even in presentations concerning President Eisenhower, who said of the fraudulent television quiz shows, in October 1959, that they were 'a terrible thing to do

to the American public'. In November 1959, the Democratic Party produced a detailed report which alleged that General Eisenhower's 'Blitz of spot commercials'—which were entitled 'Eisenhower answers America'—in the closing days of the 1952 campaign, were rigged from beginning to end.

The Democratic Digest went back to the first Eisenhower

campaign and asked:29

'How were the spots rigged? On a single day in New York the President answered fifty questions in front of the television camera. The questions and answers were all hastily typed in a back room by Rosser Reeves, an ad man with the Ted Bates advertising agency, then rushed to Milton Eisenhower (the President's brother) for approval, then on to Ike who was sitting in front of the cameras.

'Reeves had twenty-two questions and answers prepared for the camera session, but when it was seen how fast Ike could rattle them off, Reeves batted out twenty-eight more while Ike was under the lights.

'A week later, people from geographic regions which the spots were intended to reach were recruited to ask matching questions. These were recorded, filmed and then fitted to the film containing Eisenhower's answers.

'The idea,' the *Democratic Digest* article said, was to show 'real people of a given region speaking in the accents of the region, asking Ike a question to which he would supply the answer.'

Leading American agencies also lay down detailed taboos for observation by their television dramatists. Time reported on 7 November, 1960, that McCann-Erikson (acting for Liggett & Myers, the 'Chesterfield' cigarette manufacturers) had required 'No portrayal of pipe or cigar smoking or chewing . . . While we do not went to create an impression of one continual, smoke-filled room, from time to time in the shows we feel "natural" smoking action is a requisite by the case. We don't want public criticism in encouraging the too young or "too young looking" to smoke. On the other hand, the high school and college market is extremely important to Liggett & Myers as future long-time customers.'

The Dancer-Fitzgerald-Sample directive (for General Mills who make Wheaties, Kix, Cheerios) was much more detailed

<sup>23</sup> Chicago Sun-Times: 16 November, 1959.

'There will be no material that may give offence, either directly or by inference, to any organized minority group, lodge, or other organizational institution, residents of any state or section of the country, or a commercial organization of any sort. This will be taken to include political organizations; fraternal organizations, college and school groups; labor groups, industrial, business and professional organizations; religious orders; civic clubs, memorial and patriotic societies; philanthropic and reform societies (Anti-Tobacco League, for example); athletic organizations; women's groups, etc... Where it seems fitting, the characters should reflect recognition and acceptance of the world situation in their thoughts and actions, although in dealing with war, our writers should minimize the "horror" aspects . . . References to other cowboy stars should not be used . . . References should not be made to other "competitive" horses such as "Trigger", "Silver", et al."

It is hardly an overstatement to say that while all the visual mass-media systems can lend themselves to deceit, it is only in commercial television, because of the enormous returns, that the temptations are so alluring as to create a constant exposure to misrepresentation.

This is, of course, a process that stimulates its own antibodies: the public have become resistant, just as they can become, over a disappointingly long period, inured to the stereotype western serials and repetitive violence.

In the beginning of 1959, it became clear to certain persons in a great American television network that they were proving 'a great disappointment to their sponsors'. The audience had become fabulously large—the biggest assemblage of persons gazing at one situation at the same time in human history; but there was a snag. The viewers had become so stuffed and sated with brutality and so saturated with spurious emotion that they were ignoring the fact that the sponsors had goods to sell. They said despairingly (perhaps in self-protection) that this great throng were 'unable to grasp the commercial message'.

A revealing speech was made by Mr Ernest J. Hodges, vicepresident of a big advertising agency in San Francisco, to a meeting of the Hollywood Advertising Club:

<sup>80</sup> The Nation: 18 June, 1960.

'The bulk of prime time network TV programming is like Oscar Wilde's dead mackerel in the moonlight—it glitters but it stinks. It stinks two ways—on the upwind of quality and public service and on the downwind as a vehicle for commercials that can persuade people to buy our client's product.'

He continued, unhappily, that it was hard to convince 'people' that the features drawing the biggest audiences were not the best for sales, and also hard to prove that:

'an audience viewing a violent, bloody or sexy suspense show is simply not attuned to listening carefully and happily to a commercial intrusion.'

Mr Hodges obviously had his own subtle and sophisticated reasons for drawing attention to a new diagnosis. He explained that he had managed to increase sales of a certain cereal food by spending that company's money on a 'pleasantly instructive show'.

But it may well be that manufacturers were involved in this commendable exercise because the agency could not '... terrify, disgust or erotically stimulate an audience into buying a particular dry cereal ...'

This is a stage which may possibly have been reached (and only in selected areas) in a country where advertising on radio and television has a very much longer history than in the United Kingdom.

In the meantime there is no doubt that a condition of public concern, though not widespread and not yet sharp enough, exists in Britain. Many subscribe to the view recently expressed by the National Association of Probation Officers, in a memorandum submitted to the Advisory Council on the Treatment of Offenders:<sup>31</sup>

"... mass production work, mass entertainment, advertising pressures etc., make it easy for the less responsible members of society of all ages to follow an easy lead into anti-social behaviour. We cannot discount the effect on such people of the continuous display of violence in films, cheap literature and television programmes where, even though the virtuous may eventually triumph, they do so by the use of superior violence."

<sup>&</sup>lt;sup>21</sup> 22 July, 1960.

This concern was shared by a Joint Committee set up by the BBC and the ITA to inquire into the recommendations and suggestions made in a Nuffield-sponsored study—*Television and the Child*—which was published in 1958.

In a report entitled Children and Television Programmes, the committee discusses the surge forward in mass communication:

'... Developed with superb skill and a shrewd, if sometimes cynical, appraisal of public taste and demands, these media have succeeded in pervading the lives of almost every person in the land. Television, although the most recent, is by no means the least of them. As a community we accept generally the responsibility, carried out through legislation and the pressure of public opinion, for ensuring that our children shall not be exposed to physical or moral hazards, which, because of their age, they are unable to resist or even possibly to recognize. This responsibility has been accepted even when it involved some infringement of adult liberties . . .'32

#### It criticized

'the almost nightly placing of quiz programmes [which] seems excessive to the Committee. At the end of March 1960, there were six programmes of this kind in a single week on Independent Television in the London area between 6 and 9 p.m. In addition, "Junior Criss-Cross Quizz" was placed at 5 p.m. on one weekday;

(Jeremy Campbell in the *Evening Standard* of 4 October, 1960, described one method of selecting those to be quizzed: "We choose a number of men from the studio audience," said Mr Philip Wedge, A-R's Manager of Quiz Programmes.

"We tie ladies' corsets round their waists, and the first to get their corsets off and hold them above their heads are put on the programme.

"We find this gives us the right sort of contestant in a high proportion of cases."")

# and the committee reported

"... there has been an increase in violence depicted for its own sake, with straightforward fights transformed into beatings-up and spiced with sadism. These have come with the so-called "Adult Western", which does not appear to the Committee to justify this description in

<sup>32</sup> Children and Television Programmes, July 1960.

the majority of cases. The Committee is not opposed to some violence in plays or films, but it is opposed to violence "lovingly retailed" . . . Examples of this may be found in "Laramie" (BBC) and "Rawhide" (ITV). The Committee was impressed particularly by the reflection that children often keep to themselves the secret of what has frightened them.'

A Times report on 29 October, 1960, of a teacher conference on mass communications concluded with these words: 'On violence Mr Collins [of ATV-C.J.] said that if the actors were in fancy dress he did not think violence had a deep emotional effect on the viewer.'

With the committee's report was reprinted a memorandum from the Independent Television Companies' Association Ltd.

This, stripped of all varnish, passed the responsibility over to the parent, declaring, in part:

'There has been certification of films intended for exhibition in theatres for a number of years.

'It has been held occasionally that children under age have been able to obtain admission to adult films aided by adult strangers. Nevertheless, the certification of films permits managements of theatres to exercise control of entry, and it is because such control is possible that certification is a useful practice in theatres.

'But television is received in the home where the Television Companies have no control. Indeed, it is the right and duty of the parent to exercise such control over their children as certification is intended to assume. This is a point to be emphasized. The world tendency nowadays is to recognize the responsibility of a parent for children's viewing.

'In Sweden, for example, a booklet is given with every new TV set emphasizing the responsibilities of parents to control their children's viewing. Certification of programmes will not take over the responsibility from parents for critical and selective viewing in their children's interests.

'But if certification were to be given for television programmes on the same basis as for films, the most likely result would simply be that *more* children would contrive to avail themselves of the "forbidden fruit".' This evasion of responsibility was not accepted by the Committee which urged

- '... the necessity for the Independent Television Companies' Association, having more fully appreciated the nature of the evening audience, to revise its written statement to the Committee (Appendix C) that:
- "... from seven o'clock onwards the primary consideration must surely be for the adult viewer, who has a right to expect that the entertainment at the peak viewing hours of the evening will be designed for him rather than for children, whose needs have already been catered for in the schools and children's programmes earlier in the day.
- "Parents must surely accept the main responsibility for what their children are allowed to see during the hours intended for adult entertainment, and this responsibility cannot be transferred."

'The attitude underlying that statement, wherever it may be found, seems to the Committee to be indefensible in present conditions.'

Not that this mattered in the short run, for the entire report was rejected by both the BBC and the ITA—although the expert and compassionate views expressed in it were unanimous. 33 Its principal recommendation was that:

- '... the BBC, the ITA, and the Programme Companies should formulate a joint statement of policy:
  - '(i) recognizing that the period between 6 and 9 p.m. each evening is family viewing time;
- 38 The Committee's composition was described by this paragraph in the report:

"The Corporation and the Authority each nominated four members of the joint committee, all of whom were drawn from bodies already advising either the BBC or the ITA on different matters. The eight members were as follows:

Miss M. O'Conor (chairman)
Lady Banwell
Mr G. C. Diamond
Mr L. Farrer-Brown

The Lady James of Rusholme
Mr H. D. Roberts
Mr A. Shimeld
Mrs K. T. Swanzy

'Mr J. C. Thornton (Deputy Secretary, BBC) and Mr H. N. C. Stevenson (Programme Administration Officer, ITA) were made available to the Committee for advice and consultation on questions affecting the policy and operation of the two television services. Mr. C D. Shaw (Secretariat, BBC) was the Committee's Secretary.'

- '(ii) acknowledging that they, as the controllers of television broadcasting, have a duty to make sure that the programmes put out during this period are suited to the family audience by the manner of their presentation and by virtue of what these programmes contain as well as what they omit;
- '(iii) directing their respective staffs to work strictly in accordance with this policy in the planning and production of programmes.

'There is no need for the broadcasting authorities to regard this responsibility as a limitation of their freedom. Rather is it for them an opportunity to increase public esteem for television by enabling the family to share more fully than at present the pleasures which television can provide.'

It also urged further urgent investigation into the effect of viewing upon children.

'... the Committee emphasizes its importance. Without large-scale research, television is likely to fall short of its ultimate possibilities and responsibilities. It is likely to degenerate into the "bland leading the bland"...'

The Postmaster-General, Mr Reginald Bevins, defended the two arraigned public corporations in a Commons reply which the *Daily Express* headlined 'The P.M.G. Shrugs Off the Captive Child'. He said:<sup>34</sup>

'I welcome intelligent research on the influence of television on children, but I do not think it is for me to direct either the BBC or the ITA to undertake it...'

#### and

'I realize that there are differing views on this, but the view of the BBC and of the ITA is that they do not believe that the needs of children during peak viewing hours should be allowed to determine the content of the programmes. I am in agreement with that view. They also point out that this is largely, though not wholly, a matter of parental control of children in the home.

'I think it is dreadfully easy to exaggerate the supposedly evil effects of television on children, for I think that children are much more intelligent and much wiser than some of us give them credit for.'

<sup>34 28</sup> June, 1960.

He was attacked by a Conservative Member, Mr John Hall (Wycombe), who complained:

'There has been an increasing tendency both in the theatre and in the cinema to dwell on subjects which have sexual sadism as their theme. Is not this creeping into television entertainment as well? Has the Postmaster-General not some responsibility for this? It is not only a question of the effect on children but the effect on viewers as a whole.'

# Mr Bevins retreated, but only slightly:

"... I entirely agree that there has been a tendency in that direction in the cinema and in the theatre but I do not believe that it has been so extensive on television—(cries of "Oh")—as Mr Hall indicates.

'I am perfectly prepared at any time when any member wishes to complain about any programmes which feature what has been referred to as sadism and sex to make representations to either of the broadcasting authorities . . .'

But this was where he dug in, saying, incredibly,

"... it is not my function to encourage research. That is the job of the BBC and the ITA. I am convinced that both authorities are responsible bodies which will give due and sufficient weight to those recommendations, as they ought."

The quality Sunday papers, however (even though one is owned by Mr Roy Thomson, of Scottish Television), applauded the report. The *Observer* noted, <sup>85</sup> that it

"... was obviously appalled by their general triviality, as well as by certain positive defects in taste and morals."

#### It declared:

'The remedy is not to set up another watchdog committee; it is that the ITA and the higher directorate of the BBC should exercise their own proper function of being the public's watchdogs, and not barkers for their own circuses.'

<sup>35 24</sup> July, 1960.

The Sunday Times was even more forthright:

'The visual image is far more penetrating than mere words. In a book, "Three redskins fell dead" is just a formula; three bleeding corpses on a screen in the living-room are a horror that can haunt a child. Even so, it is not the bang-bang violence of the Western that appals parents and harms the young people most; it is the cruel, sadistic, or utterly cold and amoral killings and beatings that too often disfigure television plays and features. And once the rot sets in it spreads like a spore until the public and the critics can hardly tell good fruit from bad. Films as well as television programmes embellished with deliberate sadism and brutality pass nowadays with hardly a murmur of condemnation.

'Excitation passes for entertainment, ugliness for modernity, and overturned dustbins for artistic composition. Does truth require that the beast in man be not only exposed in the psychiatrist's laboratory but paraded to the public like a circus animal, between the spangled ladies and the tumbling clowns, to pass a dull evening and amuse the boys and girls? The young are often more fastidious than their elders, but for the minority the daily nourishment of their worst instincts is socially and individually dangerous. The purveyors of television owe a duty of reform to the public who in the end provide them with their revenue and determine the licences under which they are permitted to pervade our homes.'

It staggers anyone re-reading the Television Act of 1954 to find in Part 3 (i) these words:

'It shall be the duty of the Authority to satisfy themselves that, so far as possible, the programmes broadcast by the Authority comply with the following requirements, that is to say:

- '(a) that nothing is included in the programmes which offends against good taste or decency or is likely to encourage or incite to crime or lead to disorder or to be offensive to public feeling or which contains any offensive representation of or reference to a living person;
- '(b) that the programmes maintain a proper balance in their subject-matter and a high general standard of quality; ...
- '(d) that proper proportions of the recorded and other matter included in the programmes are of British origin and of British performance;

'(e) that the programmes broadcast from any station or stations contain a suitable proportion of matter calculated to appeal specially to the tastes and outlook of persons served by the station or stations.'

It seems open to doubt whether any piece of modern legislation has been so openly scorned before—and with the public assent of Ministers of the Crown. If anyone should then read the Second Schedule to the Act, entitled 'Rules as to Advertisements' he would be even more anxious. Paragraph 2 states:

'The amount of time given to advertising in the programmes shall not be so great as to detract from the value of the programmes as a medium of entertainment, instruction and information.'

The contractors are fully aware of this, as is the ITA; how can they possibly claim that existing practice falls within this direction?<sup>36</sup> And if this is treated so contemptuously, is it any wonder that the rest of the Act appears so infringed?

All this is very far from the concluding paragraph of the Government's *Memorandum on Television Policy*, November 1953, which promised that its policy would be:

"... to proceed with caution into this new field and to safeguard this medium of information and entertainment from the risk of abuse or lowering of standards. It is the public corporation, with Directors

36 Mr Ludovic Kennedy wrote in Today:

'To many people in this country the revelations about Charles Van Doren and the American quiz shows gave a kind of vicarious satisfaction. All very deplorable, they thought, but that sort of thing can't happen here. In this they were wrong. That sort of thing can happen, indeed has happened here . . . '

"There was Miss Leonara Millington, for instance, who won more than £5,000 on Granada's Twenty-One Quiz, but who was a failure later on BBC. She admitted that on Twenty-One she was told "five days in advance" what category the questions would be in.

'Stanley Armstrong, who fell at one of the early fences in the same game, said: "I was given definite leads to questions I could expect to get, and assistance with some of the answers."

'Nor has this "rigging" taken place only in a big-money quiz show. Several years ago a man whose wife was appearing on What's My Line? told me that she had been given information "to make the show more interesting".

'I myself once took part in an ITV guessing game in which one of my fellow panellists, a nervous starlet, was given help by the producer.' appointed by the Government and free from risk of outside pressure, which will be basically responsible to the Postmaster-General, and through him to Parliament, for the standard of new programmes to be shown on the television screens in our homes....

For the ITA now seems the principal champion of, and argument-coiner for, the programme companies. Even the Financial Times<sup>37</sup> believes that the ITA '... has become too closely identified with support for the contractors it is supposed to supervise.' <sup>38</sup>

This book will now proceed to examine the programme contractors in a company-by-company fashion. For within them and their radiant financial successes must lie the answers to how the system of commercial television came about.

This task is especially urgent now that they are registering companies which take powers in their Articles to operate commercial sound broadcasting, and now that they are supporting the rejuvenated Popular Television Association, which has:39

'now formed the view that the Sound Broadcasting services of the country would also benefit from the breaking of the BBC monopoly in this field;'

#### and

'feels that the Government should now give urgent consideration to the question, with a view to licensing independent sound broadcasting companies, to relieve the BBC of much of its light entertainment obligations . . .'

After all, the present situation is obviously unsatisfactory, and

<sup>37</sup> 30 July, 1959.

38 This seems even to have extended to General Election broadcast procedures. Brig. Hinchliffe, of the Conservative Central Office, said to

an Observer correspondent (27 September, 1960) that it was

"... very difficult to make comparisons, but that on the whole political broadcasts (Conservative ones anyway) are as popular as anything can be outside peak hours. "We go on," he told me, "at ten o'clock by arrangement with the ITA companies and the BBC, who has fixed the time, and not at nine o'clock, the peak hour of ITA, which, naturally, they don't want to give up."

<sup>28</sup> Draft statement of the Popular Television Committee on the 'Future of British Broadcasting', circulated to Committee members.

a debate will soon be started which will continue until the BBC and ITA charters terminate in 1964.

'Pertinax' in *Time and Tide* (24 September, 1960) wrote: 'Compared with five years ago, when its programmes monopolized the screen, the BBC has become an altogether racier place; indeed it is now said that the men at the Independent Television Authority who monitor both channels calculate that more inch of leg per showgirl appears on BBC than on ITV.'

Let us take a look at what we have now. The Daily Mirror pamphlet on the future of television spoke of:

'The thirty commercial companies, the ninety individuals and the handful of investors, investment trusts and nominee interests who, together, finance independent television . . . so much power and so few people. Is commercial television in the right hands?'

It described the owners in pitifully meagre detail and went on to sum up, magisterially:

'This collaboration of entertainment and information interests with concerns versed in technical and financial know-how is probably the best combination possible.'

Very well, let us take a look at the evidence. As Mr W. S. Gilbert had it in *The Sorcerer*:

'If anyone anything lacks, He'll find it all ready in stacks, If he'll only look in On the resident Djinn...'

# Chapter Two

#### ASSOCIATED REDIFFUSION LIMITED

#### Directors

# Other Directorships

# JOHN SPENCER WILLS (Chairman)

Rediffusion Ltd. (Chairman and managing)
British Electric Traction Co. Ltd.

B.E.T. Federation Ltd.

B.E.T. Investments Ltd.

B.E.T. Omnibus Services Ltd.

Birmingham & District Investment Trust Ltd.

Birmingham & Midland Motor Omnibus Co. Ltd.

Broadcast Relay Service (Overseas) Ltd.

East Yorkshire Motor Services Ltd.

Electrical & Industrial Investment Co. Ltd.

Future Productions Ltd. (chairman)

Impala Investment Trust (Pty) Ltd.

Monotype Corporation Ltd.

Monotype Marketing Co. Ltd.

National Electric Construction Co. Ltd.

Printers Machinery Accessories (London)
Ltd.

Public Transport Association (council)

South Wales Transport Co. Ltd.

Steenbok Investment Trust (Pty) Ltd.

The 117 Old Broad Street Finance Co. (Pty)

Ltd.

Wembley Film Studio Ltd. (chairman)

Western Welsh Omnibus Co. Ltd.

Second Premier Investment Trust Ltd.

Monophoto Co. Ltd.

# Paul Adorian (Managing)

Rediffusion Ltd.

Broadcast Relay Service (Overseas) Ltd.

George Humphries & Co. Ltd.

Independent Television News Ltd.

# ASSOCIATED REDIFFUSION LIMITED—continued

#### Directors

# Other Directorships

PAUL ADORIAN-cont.

Keith Prowse Music Publishing Co. Ltd.

Redifon Ltd.

Rediweld Ltd.

Rediweld Oerlikon Electrodes Ltd.

Overseas Rediffusion Ltd.

Rediffusion Vision Ltd.

B.E.T. Federation Ltd. (member of council)

Wembley Film Studio Ltd.

Future Productions Ltd.

TV Publications Ltd.

Peter Maurice Music Co. Ltd.

Mole Richardson (England) Ltd.

British Institution of Radio Engineers

(member of council)

JACK CLAYTON
(Since resigned)

Rediffusion Ltd.

Broadcast Relay Service (Overseas) Ltd.

Overseas Rediffusion Ltd.

Redifon Ltd.

Rediweld Ltd.

Central Rediffusion Services Ltd.

London Rediffusion Service Ltd.

Rediffusion Vision Ltd.

Wired Wireless Ltd.

Midham Property Co. Ltd.

R.E.D. Services Ltd.

Broadcast Radio Services Ltd.

Rediffusion (North East) Ltd.

Darlington Rediffusion Service Ltd.

Rediffusion (North West) Ltd.

Blackpool Rediffusion Service Ltd.

County Down Rediffusion Service Ltd.

K.L.M. Rediffusion Service Ltd.

Rochdale Rediffusion Service Ltd.

Rediffusion (Merseyside) Ltd.

Rediffusion (Yorkshire) Ltd.

Rediffusion (Waterloo) Ltd.

# ASSOCIATED REDIFFUSION LIMITED-continued

Directors

Other Directorships

JACK CLAYTON-cont.

Rediffusion (Scotland) Ltd. Wembley Film Studio Ltd. Future Productions Ltd.

Future Productions Ltd.
Rediffusion Vision Service Ltd.
Rediffusion (Redihire) Ltd.
Cardinel Cabinets Ltd.

Doric Radio Ltd.

SIR EDWIN S. HERBERT

Rediffusion Ltd. (deputy chairman)

A. J. Ramage Ltd.

Bermuda Broadcasting Co. Ltd.

Broadcast Relay Service (Overseas) Ltd.

City National Trust Co. Ltd.

Douglas Fairbanks Ltd.

Duritas Trustees Ltd.

Edifice Trustees Ltd.

Electronic Trust Ltd.

Future Productions Ltd.

H. W. Herbert Ltd.

Imperial Continental Gas Association

Industrial & General Trust Ltd.

Law Society (president 1956-57)

London & Burtley Property Co.

London Maritime Investment Co. Ltd.

London School of Economics & Political Science

National Safe Deposit & Trustee Co. Ltd.

Overseas Rediffusion Ltd.

Second Industrial Trust Ltd.

The Mount Everest Foundation

The Trans-Antarctic Expedition Ltd.

Trust Union Ltd.

Trustees Corporation Ltd.

Ultramar Co. Ltd.

Walter Wanger Productions Ltd.

Wembley Film Studio Ltd.

Williams Deacon's Bank Ltd.

Yorkshire Insurance Co. Ltd.

# ASSOCIATED REDIFFUSION LIMITED—continued

Directors

Other Directorships

JOHN B. RICKATSON-HATT Future Productions Ltd.

Wembley Film Studio Ltd.

TV Publications Ltd.

Independent Television News Ltd.

Mercury Finance & Developments Ltd.

# PROFITS (Financial Year ends 30 April)

	1958 £	1959 £
Trading Profit	5,490,743	
Other Income	4,815	
	1, 3	377 1
Total Profit	5,495,558	8,236,455
Depreciation	190,062	783,993
Directors	12,943	
Auditors	2,860	U. U
Amounts written off film rights, etc.	177,662	
Interest on Loans	194,016	7,733
Tax	65,000	4,3 <del>44</del> ,364
Net Profit	4,824,015	2,789,584
Dividends		1,512,500
Retained	4,824,015	1,277,084
OWNERSHIP (As at October, 1959)		
Capital	-1, 1939)	Issued
		£
In Ordinary shares of fi		500,000
In 'A' Ordinary shares of £1 (no vote)		7,000,000
Shareholders*	O #	•
Consolidated Nominees Ltd.	•	'A' Ordinary
Rediffusion Ltd.	236,508	0.0
British Electric Traction Ltd.	100,250	
	100,250	
Lloyds Bank (Piccadilly) Nominees	24,877	348,278
Colonial Securities Trust	13,000	182,000

<sup>\*</sup> There are 15 other holdings of Ordinary shares not exceeding 3,000 shares, and a few other small holdings of 'A' Ordinary stock.

# BRITISH ELECTRIC TRACTION LIMITED (1959 Directory of Directors List)

Directors
H. C. DRAYTON
(Chairman)

# Other Directorships

A. Lewis & Co. (Westminster) Ltd.

Andes Trust Ltd. (chairman)

Anglo-Scottish Amalgamated Corp. Ltd. (chairman)

Antofagasta (Chile) & Bolivia Railway Co. Ltd. (chairman)

Argus Press Holdings Ltd. (chairman)

Argus Press Ltd. (chairman)

Ashanti Goldfields Corporation Ltd.

Bibiani (1927) Ltd.

Birmingham & District Investment Trust Ltd. (chairman and managing)

Cape & General Finance Ltd. (chairman)

Chilean Northern Railway Co. Ltd. (chairman)

Colonial Securities Trust Co. Ltd. (chairman)

Consolidated Trust Ltd. (chairman)

Corporation of Foreign Bondholders (member)

Eagle Star Insurance Co. Ltd.

Earls Court Ltd. (chairman)

Electrical & Industrial Trust Co. Ltd. (chairman)

English & International Trust Ltd. (chairman)

European & General Corporation Ltd. (chairman)

Government Stock & Other Securities Investment Co. Ltd. (chairman)

Ideal Building & Land Development Co. Ltd.

International Financial Society Ltd. (chairman)

Midland Bank Ltd.

#### Directors

# Other Directorships

#### H. C. DRAYTON-cont.

Midland Bank Executor & Trustee Co. Ltd. Mitchell Cotts Group Ltd. (chairman)
Omnium Investment Co. Ltd. (chairman)
Peninsular Investment Co. Ltd. (chairman)
Philip Hill Investment Trust Ltd.
Premier Investment Co. Ltd. (chairman)
Provincial Newspapers Ltd. (chairman)
Second Consolidated Trust Ltd. (chairman)
United Newspapers Ltd. (chairman)

# J. SPENCER WILLS

(See Associated Rediffusion Ltd., page 52.)

# R. P. BEDDOW, C.B.E.

(See Rediffusion, page 60.)

#### P. L. FLEMING

A. Lewis & Co. (Westminster) Ltd. (chairman)

British Industries & General Investment Trust Ltd. (chairman)

Cape & General Finance Ltd.

Colonial Securities Trust Co. Ltd.

Consolidated Trust Ltd.

George Humphries & Co. Ltd.

Government & General Investment Co. Ltd. (chairman)

Gray's Carpets & Textiles Ltd. (chairman)

International Financial Society Ltd.

Municipal Trust Co. Ltd.

New England & General Trust Ltd.

New York & General Trust Ltd.

Omnium Investment Co. Ltd. (managing)

Premier Investment Co. Ltd. (managing)

Second Consolidated Trust Ltd. (managing)

Union Commercial Investment Co. Ltd. (chairman)

Directors

Other Directorships

K. E. GARCKE

Advance Contract Laundries Ltd. (chairman)

Advance Laundries (Harrow) Ltd.

Advance Laundries Ltd. (chairman)

Advance Linen Services Ltd. (chairman and managing)

B.E.T. Federation Ltd. (member of council, executive committee and trustee committee)

Electrical Press Ltd. (chairman and managing)

Engineering Review Publishing Co. Ltd. (chairman)

Initial Services Ltd.

Laundry Services Ltd. (chairman and managing)

London & Essex Guardian Newspapers Ltd. (chairman)

Percival Marshall & Co. Ltd. (chairman and managing)

Regent Overall Services Ltd. (chairman)

Richmond Park Laundry Co. Ltd. (chairman)

Soapmaster Ltd. (chairman)

South Essex Press Ltd. (chairman)

Walthamstow Press Ltd. (chairman)

West Essex Printing Co. Ltd. (chairman)

W. T. James, O.B.E.

B.E.T. Federation Ltd. (member of council)
African Transport Co. Ltd.

Birmingham & Midland Motor Omnibus Co.

Devon General Omnibus & Touring Co. Ltd. (chairman)

Gateshead & District Omnibus Co. (chairman)

J. James & Sons Ltd. (chairman)

#### Directors

Other Directorships

W. T. JAMES, O.B.E.—cont.

Jamaica Omnibus Services Ltd. (chairman)
Neath & Cardiff Luxury Coaches Ltd.
(chairman)

Northern General Transport Co. Ltd. (chairman)

Public Transport Association

Rediffusion (North-East) Ltd.

Rhodesia United Transport Co. Ltd.

Rhondda Transport Co. Ltd. (chairman)

South Wales Transport Co. Ltd. (chairman)

Sunderland District Omnibus Co. Ltd. (chairman)

Thomas Bros. (Port Talbot) Ltd. (chairman)

Tynemouth & District Transport Co. Ltd. (chairman)

Tyneside Tramways & Tramroads Co. (chairman)

United Transport Co. Ltd.

Wakefields Motors Ltd. (chairman)

Western Welsh Omnibus Co. Ltd. (managing)

A. F. Rogers

Anglo-Portuguese Telephone Co. Ltd.

Automatic Telephone & Electric Co. Ltd.

Automatica Electrica Portuguesa S.A.R.L.

Barbados Telephone Co. Ltd.

Cable & Wireless (Holdings) Ltd., and associated companies

Cabos Armados e Telefonicos Lda.

Jamaica Telephone Co. Ltd.

London Border & General Trust Ltd.

Perham Investment Trust Ltd.

Telephone & Associated Services Ltd.

Telephone & General Trust Ltd.

Temple Bar Investment Trust Ltd. (chairman)

Trinidad Consolidated Telephones Ltd.

Directors

Other Directorships

EARL OF ROTHES

Butterworth & Co. (Publishers) Ltd. (chairman) and subsidiary companies
National Mutual Life Assurance Society
Omnium Investment Co. Ltd.

# BROADCAST RELAY SERVICES LIMITED

(Changed the name to Rediffusion in 1957)

Directors

Other Directorships

J. S. Wills

(Chairman and Managing)

(See Associated Rediffusion Ltd., page 52.)

SIR EDWIN S. HERBERT

(Deputy Chairman)

(See Associated Rediffusion Ltd., page 52.)

PAUL ADORIAN

(Deputy Managing)

(See Associated Rediffusion Ltd., page 52.)

B. H. LYON

(Assistant Managing)

Broadcast Relay Service (Overseas) Ltd. Redifon Ltd.

R. P. BEDDOW, C.B.E.

B.E.T. Federation Ltd. (council)

B.E.T. Omnibus Services Ltd.

Birmingham & Midland Motor Omnibus Co. Ltd.

British Electric Traction Co. Ltd.

Broadcast Relay Service (Overseas) Ltd.

City of Oxford Motor Services Ltd.

(chairman)

East Kent Road Car Co. Ltd. (chairman)

Kemp & Shaw Ltd.

Learnington & Warwick Transport Co. Ltd. Maidstone & District Motor Services Ltd.

(chairman)

Municipal Trust Co. Ltd.

# BROADCAST RELAY SERVICES LIMITED-continued

#### Directors

Other Directorships

R. P. BEDDOW, C.B.E.—cont.

National Council for the Omnibus Industry (member)

Oxford Transport Trust Ltd. (chairman)

Rediffusion (North-West) Ltd.

Rediffusion (South-East) Ltd. (chairman)

Rediffusion Vision Ltd.

Ribble Motor Services Ltd. (chairman)

Southdown Motor Services Ltd. (chairman and managing)

Stratford-upon-Avon Blue Motors Ltd. Triumph Coaches Ltd. (chairman)

F. P. BISHOP, M.P.

Barberry's Steamship Co. Ltd.

Broadcast Relay Service (Overseas) Ltd.

Morphy-Richards Ltd. (chairman)

JACK CLAYTON

(See Associated Rediffusion Ltd., page 52.)

N. J. B. SABINE

Broadcast Relay Service (Overseas) Ltd.

Central Rediffusion Services Ltd.

Rediffusion (Merseyside) Ltd.

Rediffusion (North-East) Ltd.

Rediffusion (North-West) Ltd.

Rediffusion (South-East) Ltd.

Rediffusion (South-West) Ltd.

Rediffusion Vision Ltd.

Rediffusion (Wales) Ltd. (chairman)

Rediffusion (Yorkshire) Ltd. (chairman)

EARL OF SWINTON

Rediweld-Oerlikon Electrodes Ltd.

SIR W. WAVELL WAKEFIELD, M.P.

A.E.C. Ltd.

Associated Commercial Vehicles Ltd.

British Domolac Ltd.

Broadcast Relay Service (Overseas) Ltd.

# BROADCAST RELAY SERVICES LIMITED-continued

Directors

Other Directorships

SIR W. WAVELL WAKEFIELD, M.P.—cont.

Lake District Estates Co. Ltd.
Park Royal Vehicles Ltd. (chairman)
Portman Building Society
Redifon Ltd.
Shapland & Petter Ltd.
Skyways Ltd.

#### MIDLAND BANK LIMITED

Transparent Paper Ltd.

Directors

Other Directorships

VISCOUNT MONCKTON

(Chairman)

Belfast Bank Executor & Trustee Co. Ltd. Belfast Banking Co. Ltd.

Clydesdale & North of Scotland Bank Ltd. Iraq Petroleum Co. Ltd. (chairman) and associated companies

Midland Bank Executor & Trustee Co. Ltd. (chairman)

WILLIAM DONALD
(Joint Deputy
Chairman)

Port Line Ltd. (chairman and managing)
Clydesdale & North of Scotland Bank Ltd.

Cunard House Ltd. (chairman)

Cunard Steamship Co. Ltd. (a deputy chairman)

Cunard White Star Ltd. (a deputy chairman)

Forward Trust Ltd. (chairman)

Midland Bank Executor & Trustee Co. Ltd. (joint deputy chairman)

Port Line Pension & Benefit Fund Trustees Ltd.

Thos. & Jno. Brocklebank Ltd.

United Kingdom Mutual Steamship Assurance Association Ltd. (chairman)

United Kingdom Mutual War Risks Association Ltd. (chairman)

# MIDLAND BANK LIMITED-continued

#### Directors

LORD BLACKFORD

(Joint Deputy Chairman)

# Other Directorships

City of London Brewery & Investment Trust Ltd. (deputy chairman)

Compton Pauncefoot & Blackford Estates Ltd. (chairman)

Estate Duties Investment Trust

Guardian Assurance Co. Ltd. (chairman)

Guardian Eastern Insurance Co. Ltd.

(chairman)

Ind Coope Ltd. (deputy chairman)

Industrial & Commercial Finance Corporation Ltd.

Investors Trust Association Ltd. (chairman)

Midland Bank Executor & Trustee Co. Ltd. (joint deputy chairman)

Nalder's Brewery & Investment Trust Ltd. (deputy chairman)

Rickmansworth & Uxbridge Valley Water Co. (chairman)

Stansfeld & Co. Ltd. (deputy chairman)

Trustees Corporation Ltd.

B. Grant & Co. Ltd. (chairman)

# S. J. Adams

Davenhams Ltd.

Guardian Assurance Co. Ltd.

H.P. Sauce Ltd.

Lea & Perrins Ltd.

International Motorcoach Tours Ltd.

(chairman)

Lea & Perrins Inc.

Midland Bank Executor & Trustee Co. Ltd.

Norfolk Canneries Ltd.

Bakelite Ltd. (chairman)

# FIELD-MARSHAL VISCOUNT ALANBROOKE

Belfast Banking Co. Ltd. (chairman)

# MIDLAND BANK LIMITED-continued

Directors

Other Directorships

FIELD-MARSHAL VISCOUNT ALANBROOKE-cont.

Belfast Banking Executor & Trustee Co. Ltd. (chairman)

Midland Bank Executor & Trustee Co. Ltd. National Discount Co. Ltd.

CAPT. J. S. ALLAN

Aberdeen Steam Navigation Co. Ltd. (chairman)

Anderson Green & Co. Ltd.

Burns & Laird Lines Ltd.
Clydesdale & North of Scotland Bank Ltd.
Midland Bank Executor & Trustee Co. Ltd.

SIR COLIN S. ANDERSON

Australia & New Zealand Bank Ltd.
Council of Industrial Design
International Chamber of Shipping
(chairman)
Marine Insurance Co. Ltd.
Midland Bank Executor & Trustee Co. Ltd.
Orient Steam Navigation Co. Ltd.
Orient Underwriting Co. Ltd.
Tate Gallery Trustees (vice chairman)
Vancouver Investment Co. Ltd.

British Employers' Confederation (president)

LORD BAILLIEU

Central Mining & Investment Corporation
Ltd. (deputy chairman)
Consolidated Zinc Corporation Ltd.
Dunlop Cotton Mills Ltd.
Dunlop Plantations Ltd.
Dunlop Rubber Australia Ltd.
Dunlop Rubber Co. Ltd. (president)
English Scottish & Australian Bank Ltd.
English-Speaking Union (chairman)

#### UP AMONG THE TYCOONS

#### MIDLAND BANK LIMITED—continued

#### Directors

#### Other Directorships

#### LORD BAILLIEU-cont.

London & Lancashire Insurance Co. Ltd.
Midland Bank Executor & Trustee Co. Ltd.
New Zealand Loan & Mercantile Agency
Co. Ltd.

#### S. F. BURMAN

Burman & Sons Ltd. (managing)

Averys Ltd.

Baglan Engineering Co. (1919) Ltd.

Briton Ferry Steel Co. Ltd. Burman Cooper & Co. Ltd.

Duport Ltd.

Henry Pooley & Son Ltd. Holder & Bishop Ltd.

Imperial Chemical Industries Ltd. Joseph Lucas (Industries) Ltd. London Works (Barlows) Ltd.

Midland Bank Executor & Trustee Co. Ltd.

Midlands Electricity Board

Neath Steel Sheet & Galvanising Co. Ltd.

Serck Ltd. (deputy chairman)

W. & T. Avery Ltd.

William Dowler & Sons Ltd.

#### H. C. DRAYTON

(See British Electric Traction Ltd., page 56.)

#### W. G. Edington

Midland Bank Executor & Trustee Co. Ltd.

#### Earl of Feversham

Clydesdale & North of Scotland Bank Ltd.

Hutchinsons (Helmsley) Ltd.

Midland Bank Executor & Trustee Co. Ltd.

# SIR ALEXANDER FLECK

Midland Bank Executor & Trustee Co. Ltd.

#### MIDLAND BANK LIMITED—continued

#### Directors

Other Directorships

#### SIR ARCHIBALD FORBES

Central Mining & Investment Corporation Ltd. (chairman)

Debenture Corporation Ltd. (chairman)

Dunlop Rubber Co. Ltd. English Electric Co. Ltd. Iron & Steel Board (chairman)

Midland Bank Executor & Trustee Co. Ltd.

Rand Mines Ltd.

'Shell' Transport & Trading Co. Ltd.

Spillers Ltd.

#### R. F. GLAZEBROOK

Liverpool & London Globe Insurance Co. Ltd.

Liverpool Grain Storage & Transit Co. Ltd. Liverpool Warehousing Co. Ltd. (chairman) Midland Bank Executor & Trustee Co. Ltd. Royal Insurance Co. Ltd.

Sandon Motor & Engineering Co. Ltd.

# SIR JOHN H. HALL

(See Clerical Medical and General Life Assurance Society, page 208.)

#### LORD HARLECH

Bank of West Africa Ltd.

Midland Bank Executor & Trustee Co. Ltd.

BRIG. SIR GEORGE S. HARVIE-WATT, BT.

(See Eagle Star Insurance Co. Ltd., page 84.)

#### F. E. G. HAYWARD

Midland Bank Executor & Trustee Co. Ltd.

# SIR EDWARD HERBERT

Alexander M'Nab & Co. Ltd.

Aron Electricity Meter Ltd. (chairman)

#### MIDLAND BANK LIMITED-continued

#### Directors

# Other Directorships

SIR EDWARD HERBERT-cont.

Cowans Sheldon & Co. Ltd.

East Midlands Gas Board (member)

Midland Bank Executor & Trustee Co. Ltd.

National Coal Board, East Midlands Division (member)

National Industrial Fuel Efficiency Service

North Midland Regional Board for Industry (member)

Northern Assurance Co. Ltd.

Nottingham Trustee Savings Bank

Rickmansworth & Uxbridge Valley Water Co.

Seedhill Finishing Co. Ltd.

Viyella Ltd.

William Hollins & Co. Inc.

William Hollins & Co. Ltd. (chairman)

# J. P. Hunt

Staveley Coal & Iron Co. Ltd. (chairman)

Amasal Ltd. (chairman)

Arblaster & Co. Ltd.

Beswick's Lime Works Ltd.

Birmingham Chemical Co. Ltd. (chairman)

Bradley & Foster Ltd.

Bradleys (Concrete) Ltd.

Bradleys (Darlaston) Ltd.

British Soda Co. Ltd. (chairman)

Burton Ironstone Co. Ltd.

Eagle Star Insurance Co. Ltd. (Law Courts Board)

George Richards & Co. Ltd.

Hallamshire Steel Co. Ltd.

J. H. Shand Ltd. (chairman)

James Archdale & Co. Ltd.

John Hill & Sons (Ironfounders) Ltd. (chairman)

# MIDLAND BANK LIMITED-continued

#### Directors

# Other Directorships

# J. P. HUNT-cont.

Midland Bank Executor & Trustee Co. Ltd. Newton Chambers & Co. Ltd.

Philblack Ltd.

R. D. Nicol & Co. Ltd.

Standard-Modern Tool Co. Ltd., Canada

Tilghman's Ltd.

W. H. Smith & Co. Electrical Engineers Ltd. (chairman)

# J. H. JOLLY

Allied Ironfounders Ltd.
Powell Duffryn Ltd.

Midland Bank Executor & Trustee Co. Ltd.

#### ROBERT LAIDLAW

Ardrossan Harbour Co.

Clydesdale & North of Scotland Bank Ltd. (deputy chairman)

J. & P. Coats Ltd. (chairman)

Midland Bank Executor & Trustee Co. Ltd. Scottish Western Investment Co. Ltd. Second Scottish Western Investment Co.

Ltd.

Third Scottish Western Investment Co. Ltd.

# Rt. Hon. Sir Allan F. Lascelles

Midland Bank Executor & Trustee Co. Ltd.

# W. H. McFadzean

British Copper Refiners Ltd. (chairman)

British Insulated Callender's Cables Ltd. (chairman and managing)

British Insulated Callender's Construction Co. Ltd. (chairman)

British Insulated Callender's (Submarine Cables) Ltd. (chairman)

Federation of British Industries (president)

#### MIDLAND BANK LIMITED—continued

Directors

Other Directorships

W. H. McFadzean--cont.

Institute of Directors (council)

Midland Bank Executor & Trustee Co. Ltd. Ministry of Labour Advisory Board on Resettlement of Ex-Regulars (member)

SIR FRANK W. MORGAN

Prudential Assurance Co. Ltd. (chairman)
Royal National Pension Fund for Nurses
Midland Bank Executor & Trustee Co. Ltd.

Lt.-Col. F. L. Orme

British & Foreign Marine Insurance Co. Ltd. British Cotton Growing Association (council) Liverpool & London & Globe Insurance Co. Ltd. (a deputy chairman)

Midland Bank Executor & Trustee Co. Ltd.

Reynolds & Gibson (Cotton) Ltd.

Royal Insurance Co. Ltd. (a deputy chairman)
Thames & Mersey Marine Insurance Co.
Ltd.

Reynolds & Gibson

SIR KENNETH H. PRESTON

Stone-Platt Industries Ltd. (chairman)

Averys Ltd.

Midland Bank Executor & Trustee Co. Ltd.

Philip Hill Investment Trust Ltd.

Textile Machinery Makers Ltd. (chairman)

WHITNEY W. STRAIGHT

Aero Proprietary Ltd.

Midland Bank Executor & Trustee Co. Ltd. Rolls-Royce Ltd. (joint deputy chairman)

Rotol Ltd.

Royal Aero Club (a vice president)

D. W. TURNER

Wellington Tube Holdings Ltd. (chairman and managing)

# MIDLAND BANK LIMITED-continued

Directors

Other Directorships

D. W. TURNER-cont.

Assam Trading (Holdings) Ltd.

Averys Ltd.

Edward Smith Ltd. (chairman and managing)

Henry Pooley & Son Ltd.

Job Edwards Ltd. (chairman)

Midland Bank Executor & Trustee Co. Ltd.

Parnall & Sons Ltd. Rollason Wire Co. Ltd.

Stampings Alliance Ltd. (chairman)

Victoria Tube Co. Ltd. (chairman and managing)

W. & T. Avery Ltd.

Wellington Engineering Works Ltd. (chairman)

Wrights' Ropes Ltd.

#### Admiral of the Fleet Sir Philip Vian

Fine Art & General Insurance Co. Ltd.
Midland Bank Executor & Trustee Co. Ltd.
North British & Mercantile Insurance Co.
Ltd.

Railway Passengers Assurance Co.

#### SIR HAROLD E. YARROW

Clydesdale & North of Scotland Bank Ltd. (chairman)

Yarrow & Co. Ltd. (chairman)

# PHILIP HILL INVESTMENT TRUST LIMITED

Directors

Other Directorships

SIR BRIAN MOUNTAIN, BT.

(Chairman)

Eagle Star Insurance Co. (chairman and member of West End, English & Scottish Sceptre & Star Boards)

# PHILIP HILL INVESTMENT TRUST LIMITED—continued

Directors

Other Directorships

SIR BRIAN MOUNTAIN, BT .- cont.

Ashdale Land & Property Co. Ltd. (chairman)
Bank of Nova Scotia Trust Co. (Bahamas)
Ltd.

Bramalla Consolidated Developments Ltd., Canada

British African Properties Ltd. (chairman)

British Crown Assurance Corporation Ltd. (chairman)

British Medical Finance Ltd.

British Northwestern Insurance Co.

(chairman)

Continental Guaranty Corporation Ltd.

Covent Garden Properties Co. Ltd.

(chairman)

Engineering Finance Ltd.

English Property Corporation Ltd.

Insurance Associates (Bermuda) Ltd.

(president)

Kingsdown Stud Ltd.

Knutsford Park Ltd., Jamaica

L'Independance Compagnie d'Assce. Contre Tous Risques (France)

Midland Employers' Mutual Assurance Ltd.

New Providence Insurance Co. Ltd., Nassau

Premier Motor Policies Ltd. (chairman)

Racehorse Owners Association Ltd. (council)

Sceptre Trust Ltd., Nassau (president)

Second Covent Garden Property Co. Ltd. (chairman)

Security National Insurance Co. (chairman) Theatres Mutual Insurance Co. Ltd.

(chairman)

Threadneedle Insurance Co. Ltd. (chairman and managing)

Threadneedle Properties Ltd. (S. Africa)

#### PHILIP HILL INVESTMENT TRUST LIMITED—continued

Directors

Other Directorships

SIR BRIAN MOUNTAIN, BT .-- cont.

United Dominions Corporation (Rhodesia)

United Dominions Corporation (S. Africa)
Ltd.

United Dominions Property Trust Ltd.
United Dominions Trust (Commercial) Ltd.
United Dominions Trust Ltd.

Kenneth A. Keith (Vice Chairman and

(Vice Chairman ai Managing) (See Philip Hill Higginson Erlangers, Ltd., page 76)

LEO F. A. D'ERLANGER

(See Philip Hill Higginson Erlangers Ltd., page 76)

HENRY R. MOORE

(See Philip Hill Higginson Erlangers Ltd., page 76)

H. C. DRAYTON

(See British Electric Traction Ltd., page 56.)

R. E. F. DE TRAFFORD

(See Philip Hill Higginson Erlangers Ltd., page 76)

V. F. W. CAVENDISH-BENTINCK

Broadcast Relay Wireless & Television Ltd. Farbenfabriken Bayer A.G. (Germany) 'Keramag' Keramische Werks A.G. (Germany)

Levmedic Ltd. (chairman)
Rio Tinto Co. Ltd.

Shell Austria A.G.

Shell Floridsdorfer A.G. (Austria) Skefko Ball Bearing Co. Ltd.

#### PHILIP HILL INVESTMENT TRUST LIMITED—continued

Directors
W. M. Codrington

Other Directorships

Antofagasta (Chile) & Bolivia Railway Co.
Ltd.

Aguas Blancas Railway Co. Ltd.

Andes Trust Ltd.

Bolivia Railway Co. Inc.

Chilean Northern Railway Co. Ltd.

Cordoba Central Trust Ltd. (chairman)

Nyasaland Railways Ltd. (chairman and managing)

Central Africa Railway Co. Ltd. (chairman)

Powell Duffryn Ltd. Rank Organization Ltd.

General Cinema Finance Corporation

Ltd.
Odeon Associated Theatres Ltd.

Odeon Properties Ltd.

Rank Cintel Ltd.

Rank Television & General Trust Ltd.

Sun Insurance Office Ltd.

Sun Life Assurance Society

Trans-Zambesia Railway Co. Ltd. Urwick, Orr & Partners Ltd.

SIR KENNETH H. PRESTON

(See Midland Bank Ltd., page 62)

ALBERT O. BLUTH

(See Philip Hill Higginson Erlangers Ltd., page 76)

OMNIUM INVESTMENT COMPANY LIMITED
(1960 Directory of Directors List)

Directors

Other Directorships

H. C. DRAYTON

(Chairman)

(See British Electric Traction, page 56)

#### OMNIUM INVESTMENT COMPANY LIMITED—continued

Directors

Other Directorships

P. L. FLEMING (Manager)

(See British Electric Traction Ltd., page 56)

#### R. P. W. ADEANE

Government Stock & Other Securities Investment Co. Ltd. (managing)

Anglo-Ceylon & General Estates Co. Ltd.

Birmingham & District Investment Trust Ltd.

Cape & General Finance Ltd.

Central American Investment Co. Ltd.

City & Foreign Investment Trust Ltd. (chairman)

Cochran & Co. Annan Ltd. (chairman)

Colonial Securities Trust Co. Ltd.

Consolidated Trust Ltd. (managing)

Costa Rica Railway Co. Ltd. (chairman)

Dominion Reefs (Klerksdorp) Ltd. (also London committee)

H. E. Proprietary Ltd.

International Financial Society Ltd.

J. W. Singer & Sons Ltd. (chairman)

London & Overseas Investment Co. Ltd. (chairman)

Luke Singer Pty. Ltd.

Marine & Remote Centre Oil Installations
Ltd.

Midland Railway Company of Western Australia Ltd. (chairman)

Municipal Trust Co. Ltd. (chairman)

Mushroom Land Settlement Ltd.

New Union Goldfields Ltd.

New York & General Trust Ltd. (chairman)

Newton, Chambers & Co. Ltd.

Peninsular Investment Co. Ltd.

Premier Investment Co. Ltd.

#### OMNIUM INVESTMENT COMPANY LIMITED—continued

Directors

R. P. W. ADEANE-cont.

Other Directorships

Ransomes & Rapier Ltd. (chairman)

Rio de Janeiro Flour Mills & Granaries Ltd.

Ruberoid Co. Ltd.

Salvador Railway Co. Ltd.

Second Consolidated Trust Ltd.

Second Premier Investment Trust Co. Ltd.

Securities Agency Ltd.

Union Commercial Investment Co. Ltd.

#### Douglass Hewitt

Anglo-Scottish Amalgamated Corporation Ltd. (deputy chairman and managing)

English & International Trust Ltd.

(managing)

H. & M. Rayne Ltd.

H. E. Randall Ltd.

Hackbridge & Hewittic Electric Co. Ltd. (deputy chairman)

Hackbridge & Hewittic Electric Co. of Canada Ltd.

Herga Constructions Ltd.

Kartret Switchgear Co. Ltd.

Kingston House Ltd.

New Switchgear Construction Co. Ltd.

Property Holding & Investment Trust Ltd.

South African & British Investment Trust

South African & Scottish Corporation Ltd. South Court Ltd.

Staple Investment Trust Ltd. (chairman)

Switchgear & Cowans Ltd.

Wire Industries Steel Products & Engineering Co. Ltd. (London committee)

Anglo-Scottish Securities Ltd. (deputy chairman and managing)

# OMNIUM INVESTMENT COMPANY LIMITED—continued

Directors

Other Directorships

EARL OF ROTHES

(See British Traction Ltd., page 56.)

#### PHILIP HILL HIGGINSON ERLANGERS LIMITED

Date of Registration: (name changed from Philip Hill Higginson 30/9/59)

Capital:

In Ordinary shares of £5

Authorized and Issued £1,000,000

Notes on Capital: Authorized capital increased to £3,500,000 3/9/59
420,000 £5 shares issued for cash at £5 19 0 each
on 10/9/59 (issued to Philip Hill Investment Trust)

Directors

Other Directorships

R. E. F. DE TRAFFORD

Philip Hill Higginson Nominees Ltd.
Philip Hill Investment Trust Ltd.
Higginson & Co. Ltd.
Atlas Assurance Co. Ltd.
Atlas Nominees Ltd.
Lewis Berger & Sons Ltd.
British Shareholders Trust (member investment council)
The Electronic Trust
Elliott-Automation Ltd.
General & Commercial Investment Trust
Ltd.
Industrial Finance & Investment Corporation Ltd.

London & Lomond Investment Trust Ltd.
Manchester Oil Refinery (Holdings) Ltd.

Merchants' Trust

Nineteen Twenty-eight Investment Trust Ltd.

Directors

Other Directorships

R. E. F. DE TRAFFORD -cont.

1936 Securities Ltd.
Race Finish Recording Co. Ltd.
Styrene Co-Polymers Ltd.
Williams Deacon's Bank Ltd.
The White Ensign Association (member council of management)

Philip Hill & Partners Ltd.

#### KENNETH K. A. KEITH

Philip Hill Higginson Nominees Ltd. Philip Hill Investment Trust Ltd. Philip Hill Higginson & Co. (Africa) Ltd. Bank of Nova Scotia Trust Co. (Bahamas) Ltd. Beecham Group Ltd. Cranmer Trust Ltd. Consolidated Trust Ltd. Eagle Star Insurance Co. Ltd. Engineering Industries Trust Ltd. General Mining & Finance Corporation Ltd. Harriman Ripley & Co. Incorporated (U.S.A.) London & Overseas Tankers Ltd. New York Capital Fund of Canada Ltd. 1936 Securities Ltd. Strong & Co. of Romsey Ltd. Tanker Investment Trust Ltd. United Drapery Stores Ltd.

#### HENRY R. MOORE

Philip Hill & Partners Ltd.
Philip Hill Higginson Nominees Ltd.
Philip Hill Investment Trust Ltd.
Philip Hill Higginson & Co. (Africa) Ltd.
Associated Engineering Ltd. (chairman)
AE (Investments) Ltd.

Directors

Other Directorships

HENRY R. MOORE-cont.

The Blake & Richards Estates Ltd.
Rank Television & General Trust Ltd.
Clarendon Property Co. Ltd.
Covent Garden Market Ltd.
Covent Garden Properties Co. Ltd.
Coventry Radiator & Presswork Holdings
Ltd.
English Property Corporation Ltd.
Gaumont-British Picture Corporation Ltd.
General Cinema Finance Corporation Ltd.
Marlborough Property Co. Ltd.
Merchant Bank of Central Africa Ltd.
Odeon Associated Theatres Ltd.
Odeon Properties Ltd.
The Rank Organization Ltd.

Second Covent Garden Property Co. Ltd.

Hubert A. Meridith (Resigned 31 /7 /59)

Philip Hill Investment Trust Ltd. Strong & Co. of Romsey Ltd. Thomas Wethered & Sons Ltd.

## P. J. A. LACHELIN

Philip Hill & Partners Ltd.
Philip Hill Higginson Nominees Ltd.
Praeteritus Ltd.
British Relay Wireless & Television Ltd.
Colebrooke Nominees Ltd.
John Dale Ltd. (deputy chairman)
Delmonte & Patience Ltd. (New Zealand)
Elliott-Automation Ltd.
Finaco Ltd.
General & Commercial Investment Trust
Ltd.

#### Directors

Other Directorships

#### P. J. A. LACHELIN—cont.

Hedges & Butler Ltd.
Hoffnungs (London) Ltd. (chairman)
S. Hoffnung & Co. Ltd. (chairman)
Meredith & Drew Ltd. (chairman)
1936 Securities Ltd.
Pulsometer Engineering Ltd.
Wardell & Wright Ltd. (Eire)

#### CHRISTOPHER E. BLUNT

Philip Hill & Partners Ltd.
Philip Hill Higginson Nominees Ltd.
Philip Hill Investment Trust Ltd.
Higginson & Co. Ltd.
Anglo-Celtic Trust Ltd.
Second Anglo-Celtic Trust Ltd.
Colebrooke Nominees Ltd.
Electro Methods Ltd.
Ether Ltd.
Folland Aircraft Ltd.
The Hatherop Estate Ltd.
London & Strathclyde Trust Ltd.
B.S.T. Ltd.

#### B. A. C. WHITMEE

Philip Hill & Partners Ltd.
The Beaver Trust Ltd.
Buenos Aires Town & Docks Tramways Ltd.
Central Wagon Co. Ltd.
Coldfall Co. Ltd.
Moorgate Securities Ltd.
Tanker Investment Trust Ltd.
The Wembley Trust Ltd.

#### W. FREUND

Coldfall Co. Ltd.

Directors

H. W. M. FLEURY

Other Directorships

Coventry Climax Engines Ltd.

Coventry Climax International Ltd.

The Ever Ready Trust Co. Ltd.

Moorgate Securities Ltd.

Tanker Investment Trust Ltd.

#### Michael Menzies

(Lives in Johannesburg)

Philip Hill Higginson & Co. (Africa) Ltd.

Philip Hill Executor & Trust Co. Ltd.

British African Properties Ltd.

Bryanmore Estates Ltd.

J. L. Clark & Co. Ltd.

Cadder Investments (S.W.A.) (Pty.)

Cranmer Trust Ltd.

Engineering Industries Trust Ltd.

Eagle Star House Johannesburg Ltd.

General Mining & Finance Corporation Ltd.

G. H. Langler & Co. Ltd.

Latan Properties

Lumenated Ceilings (Pty.)

Montac Wineries (Pty.)

Natal Lands

Park Central Townships

Strathmore Consolidated Investment Ltd.

Strathmore Exploration Ltd.

South African Fire & Accident Insurance

Co. Ltd.

S.A. Fire House

Stellenbosch Farmers Wine Trust

Stellenbosch Farmers Winery

Sunninghill Investment (Pty.)

Syfret's Trust Co. (Natal)

Syfret's Natal Nominees

Thermotank (S.A.) (Pty.)

Threadneedle Properties Ltd.

West Rand Investment Trust Ltd.

#### Directors

Other Directorships

MICHAEL MENZIES—cont.

Barclays Bank DCO Ltd.
African Distillers Ltd.
African Distillers (Rhodesia) Ltd.
Merchant Bank of Central Africa Ltd.
Alternate director of:
Union Townships
G.M. Electrical S. A. (Pty.)

JOHN R. COLVILLE

Ottoman Bank Ltd. (London committee)

D. J. PALMAR

B.S.T. Ltd.

HON, MAXWELL STAMP

B.S.T. Ltd.

DAVID E. WEBB

Argentine Lands & Industries Ltd. The Artizans' & General Properties Ltd. Beaver Trust Ltd. Austin & Pickersgill Ltd. Beecham Group Ltd. Calcutta Tramways Co. Ltd. EPD (Enterprises) Ltd. Gosport & Fareham Omnibus Co. Ltd. Ideal Boilers & Radiators Ltd. Kalgoorlie Electric Power & Lighting Corporation Ltd. Kores Manufacturing Co. Ltd. Madras Electric Tramways (1904) Ltd. Phoenix Assurance Co. (Law Courts local board) William Pickersgill & Sons Ltd. Provincial Traction Co. Ltd. Harold Radford & Co. Ltd.

Directors

Other Directorships

DAVID E. WEBB-cont.

St Georges Hill Golf Club Ltd. Wembley Trust Ltd.

John Alexander Cook (Resigned 16/10/59)

Philip Hill Higginson Nominees Ltd.

Leo F. A. D'ERLANGER (Appointed 9/9/59)

British South Africa Co. Ltd.

Erlangers Ltd.

Almin Ltd.

Channel Tunnel Co. Ltd.

South Atlantis Ltd.

Harrods (Buenos Aires) Ltd.

Hellenic & General Trust Ltd.

Sterling Trust Ltd.

F. A. E. Holdings (No. I) Ltd.

Moorgate Nominees Ltd.

Second Hellenic Corporation Ltd.

South American Stores (Gath & Chaves) Ltd.

Rhodesia Railways Trust Ltd.

Southern Forge Ltd.

Matton Investment Trust Ltd.

Barmel Investment Co. Ltd.

Harrods (South America) Ltd.

South American Stores (Holdings) Ltd.

P. E. Holdings Ltd.

Cecil Investments Ltd.

Marketing Development Co. Ltd.

Pauling & Co. Ltd.

British South Africa Co. Investments Ltd.

British South Africa Co. Management Services Ltd.

British South Africa Co. Citrus Products Ltd.

Cecil Holdings Ltd.

#### Directors

Other Directorships

Albert O. Bluth

(Appointed 9 | 9 | 59)

Erlangers Ltd.

Jack Olding & Co. Ltd.

Barber-Greene Olding Co. Ltd.

Jack Olding & Company (Scotland) Ltd.

Oldings (Hatfield) Ltd. Vickers-Armstrongs Ltd.

Vickers Ltd.

Modern Telephone (Great Britain) Ltd.

WILLIAM R. MERTON
(Appointed 9/9/59)

Almin Ltd.

Fulmer Research Institute Ltd.

Alginate Industries Ltd.

Alginate Industries (Scotland) Ltd.

Manucol Products Ltd. Channel Tunnel Co. Ltd.

Leach's Argentine Estates Ltd. (London

committee)

Public & General Holdings Co. Ltd.

Warwick Production Co. Ltd.

Forestal Land, Timber & Railways Co. Ltd.

Forestal Provident Trust Co. Ltd.

Almin Patents Ltd.

ARTHUR E. SYMONS
(Appointed 9/9/59)

Erlangers Ltd.

CECIL F. TATNALL

(Appointed 9 | 9 | 59)

Erlangers Ltd.

Moorgate Agency Co. Ltd.

Godfrey Davis Ltd.
Moorgate Nominees Ltd.

Moorgate Holdings Co. Ltd.

P. F. A. DENMAN

(Appointed 9 | 9 | 59)

Erlangers Ltd.

City & International Trust Ltd.

Directors

Other Directorships

P. F. A. DENMAN-cont.

Public & General Holdings Co. Ltd. Moorgate Equity Investments Ltd. Modern Automatic Telephones Ltd. Modern Telephones (Great Britain) Ltd. Moorgate Agency Co. Ltd. Moorgate Holdings Co. Ltd.

Shareholders

Philip Hill Investment Trust

No. £5 shares

#### EAGLE STAR INSURANCE COMPANY LIMITED

Key Directors

Other Directorships

SIR BRIAN MOUNTAIN, BT.

(Chairman)

(See Philip Hill Investment Trust Ltd., page 70.)

A. S. BARNFIELD

Midland Employer's Mutual Assurance Ltd. (chairman)

SIR CHRISTOPHER LL. BULLOCK

Beralt Tin & Wolfram Ltd.
British Metal Corporation Ltd.
James Norris (Burslem) Ltd. (chairman)
Strong & Co. of Romsey Ltd.

D. R. COLVILLE

c/o N. M. Rothschild & Sons
Barry & Staines Linoleum Ltd.
Bowmaker Ltd.
Continental & Industrial Trust Ltd.
Private Enterprises Investment Co. Ltd.
Rio Tinto Co. Ltd.
Rothschild Executor & Trustee Co.
Rothschilds Continuation Ltd.
Shield Trust Ltd.

# EAGLE STAR INSURANCE COMPANY LIMITED—continued

Key Directors

Other Directorships

J. H. DAVIS

(See Southern Television Ltd., page 188.)

#### H. C. DRAYTON

(See British Electric Traction Ltd., page 56.)

#### BRIG. SIR GEORGE S. HARVIE-WATT, BT.

Australian Commonwealth Carbide Co. Ltd. Consolidated Gold Fields of South Africa Ltd. (deputy chairman)

Globe & Phoenix Gold Mining Co. Ltd. (deputy chairman)

Gold Fields American Development Co. Ltd. (chairman)

Midland Bank Executor & Trustee Co. Ltd.

Midland Bank Ltd.

Monotype Corporation Ltd. (chairman)

Monotype Marketing Co. Ltd.

New Consolidated Gold Fields Ltd. (deputy (chairman)

North British Steel Foundry Ltd. Phoenix Mining & Finance Ltd. Phoenix Prince Gold Mining Co. Ltd. Superheater Co. Ltd.

## SIR PETER W. HOARE, BT.

C. Hoare & Co. (a managing partner)
Hoares Bank Nominees Ltd.
Luscombe Estate Co.
Messrs. Hoare Trustees
Torquay Hotel Co. Ltd.

# KENNETH A. KEITH

(See Philip Hill Higginson Erlangers Ltd., page 76)

# EAGLE STAR INSURANCE COMPANY LIMITED—continued

Key Directors

Other Directorships

MARQUESS OF LINLITHGOW

Joseph Sebag & Co. (partner)

Aldershot & District Traction Co. Ltd.
Nineteen Twenty-Nine Investment Trust

Ltd.

DUNCAN MACKINNON

Smith St Aubyn & Co. Ltd. (chairman and a

managing)

Ashdown Investment Trust Ltd.

HUGH MACNABB

British Crown Assurance Corporation Ltd.

R. A. MOORE

Bournemouth-Swanage Motor Road & Ferry

Co. Ltd.

British United Provident Association (deputy

chairman)

City, West End & Suburban Shop Property

Co. Ltd.

Liverpool Insurance Society Ltd. Nuffield Nursing Homes Trust Ltd. United Kingdom Property Co. Ltd.

D. M. MOUNTAIN

Threadneedle Insurance Co. Ltd.

Commercial Credits (Insurance) Ltd.

Gardner, Mountain, d'Ambrumenil & Ren-

nie Ltd.

SIR LEONARD SINCLAIR

Fleming and British American Optical

Industries Ltd.

Valor Co. Ltd. (chairman)

British Transport Commission (part-time

member)

# EAGLE STAR INSURANCE COMPANY LIMITED—continued

Key Directors

Other Directorships

IAIN M. STEWART

(See Scottish Television Ltd., page 169)

#### COL. W. H. WHITBREAD

Whitbread & Co. Ltd. (chairman)

Brickwoods Ltd.

Cheltenham & Hareford Brewery Ltd.

Dutton's Blackburn Brewery Ltd.

Dutton's Lancashire & Yorkshire Brewery Corporation Ltd.

F. S. Stowell Ltd.

Flowers Breweries Ltd.

Frederick Leney & Sons Ltd. (chairman)

Fremlins Ltd.

Gold Label Barley Wine Co. Ltd.

Jude, Hanbury & Co. Ltd.

Langley Distillery Ltd.

Mackeson & Co. Ltd. (chairman)

Marston, Thompson & Evershed Ltd.

Morland & Co. Ltd.

Norman & Pring Ltd.

Old Albion Brewery Ltd.

Strong & Co. of Romsey Ltd.

Stroud Brewery Co. Ltd.

Tennant Brothers Ltd.

West Country Brewery Holdings Ltd.

(chairman)

Whitbread Investment Co. Ltd.

Wiley & Co. Ltd.

Worksop & Retford Brewery Co. Ltd.

# Up Among the Tycoons: Associated-Rediffusion

'The present Tycoons are still trying to pretend that TV is a cinema, a leg-show or a battleship. But in the jostling, calculating, and empire-building that goes on below Floor Four, the future Television Men, from whose ranks the new Tycoons will come, are gradually emerging; they will be brash, tabloid, half-American, lively and unscrupulous.'

Observer: 20 September, 1959

Associated-Rediffusion Ltd. 40 is Mr Harold C. Drayton. To understand the structure and interlockings of the commercial television programme contracts, this is a central fact, which must be seized and never relinquished. For the influence of A-R is pervasive and the shadow of Mr Drayton's financial institutions seems to fall in many directions simultaneously. In subsequent chapters this will be remarked upon time and time again.

Mr Drayton has no personal shareholding listed, neither has the A-R chairman, Mr John Spencer Wills. The *Evening Standard* has speculated about this critically:

'Who are the mysterious individuals who own  $12\frac{1}{2}$  per cent of the shares in the Associated-Rediffusion television enterprise.

'Chairman John Spencer Wills, announcing a profit of £7,000,000 last night, refused to disclose the identities of these shadowy figures.

"I can only say," he said, "that they are business men in some way associated with British Electric Traction. We business men hide our lights under bushels."

'This is a curious attitude for Mr Wills to adopt. Business men who run a government monopoly and hide their lights under bushels are not at all to the liking of the public. . .

'Associated-Rediffusion provides week-day ITV programmes for London. Mr Harold Drayton's British Electric Traction holds 50 per cent of the shares. Rediffusion Ltd. owns 37½ per cent. But this is not clear from the share register. Millions of shares are held by nominees; one group, Consolidated Nominees of 52 Threadneedle Street, owns nearly 2½ million shares.

<sup>40</sup> Referred to hereinafter as A-R.

'Biggest individual shareholders are Mr Paul Adorian, managing director of Associated-Rediffusion; he has 25,000 shares. And Mr William Thomas James, a director of B.E.T., who holds nearly 26,000.

'Three other directors of Associated-Rediffusion have personal holdings: Sir Edwin Herbert (10,000 shares); Mr A. W. Grocock (2,500); impresario Jack Clayton (10,000).

'Captain T. M. Brownrigg, general manager of the concern, has 14,800.

'But chairman Wills and Mr Harold Drayton, his boss at British Electric Traction, live up to their precept of hiding their lights under bushels. Neither has any shares at all in his own name.

'Yet they wield immense power over the minds of the viewers.'41

Mr Drayton once personally held 10,000 Ordinary shares, but he sold them on 15 July, 1958: the purchaser is unknown. It might, of course, be Mr Drayton in another capacity.

Both of the top executives in A-R are long-time managers from Mr Drayton's British Electric Traction Group. The chairman, Mr John Spencer Wills, is

"... the cleverest of Drayton's men... who gets cross at being referred to as one of the "Drayton Front Men". He worked his way up through Yorkshire buses into the heart of the Drayton Group. His interest in television is purely financial: it was he who suggested a month ago (to the alarm of his colleagues) that if the Government increased the charge for television transmission, they might have to make the programmes worse. (How could they?)" 42

He is also heavily engaged in the operations of the bus companies in the Drayton apparatus which, even after the rather odd type of nationalization which was undertaken in this field by a Labour Government, still controls a fleet of 14,000 vehicles, including giants like the Western Welsh and Birmingham and Midland omnibus companies (both of which have Mr Wills as chairman).

In all things he seems responsible, in the end, to

'The Admiral [who] hardly ever comes near it—he has too many ships in his fleet. For the ultimate boss is Harold Drayton, the

<sup>41</sup> Evening Standard: 22 July, 1959.

<sup>42</sup> The Observer: 20 September, 1959.

The Managing Director, Mr Paul Adorian (called a 'slim, athletic Armenian' by the *Observer*: actually Hungarian born, thirty-five years in Britain and a British subject) came to A-R from Rediffusion, another big Drayton concern.

I went to talk with him 4 on 20 May, 1959. Our interview started with my explaining that I had done the usual formal search of Associated-Rediffusion's accounts and directors.

Jenkins: I noted the very substantial financial interest of the British Electric Traction Company and Rediffusion in the British Relay Service.<sup>45</sup>

Adorian: No! No! You don't mean British Relay, you mean Broadcast Relay.

Jenkins: I think you are right, I may have got a typing error here.

Adorian: Yes, you must really get this right, it is very important. British Relay is ATV, and we are nothing, nothing to do with them. You see, British Electric Traction and Rediffusion own 90 per cent of the shares and the contractors own about 10 per cent, and when extra shares were issued they were in the same proportion to everyone. No one got preferential treatment. Altogether, there are a hundred thousand shareholders spread over the entire community.

Jenkins: You were with Rediffusion for a long while, weren't you?

Adorian: Yes, I was twenty-seven years in Rediffusion, and we didn't have any large shareholders there either. In fact, our shareholders were beautifully distributed. As there were no

<sup>43</sup> The Observer: 20 September, 1959.

<sup>44</sup> Without, however, noticing a machine said to be outside his office, which is known as the 'Gas Meter' and registers, by connection with given home television sets, the fluctuation in popularity of BBC and A-R from minute to minute.

<sup>45</sup> The Evening Standard noted, on 23 August, 1960:

<sup>&#</sup>x27;Here is a bumper showing from British Relay Wireless and Television. Gross profits, chairman Sir Robert Renwick reveals today, have soared £1,047,000 to a mighty £2,475,000.

<sup>&#</sup>x27;Final dividend is to be 7 per cent—against 6 per cent forecast at the time of the "rights" issue last February.'

dominant shareholders you might consider me a Permanent Under-Secretary at a Ministry—a civil servant. At least my government was consistent.

Jenkins: What is your view on the criticisms made of commercial television by the Beaverbrook newspapers?

Adorian: (He opened his desk drawer and took out a sheaf of photostats of newspaper clippings.)

Did you see the leader last Friday on licence fees? Beaverbrook could not come in at the right price.

Jenkins: Who should run the third or fourth network?

Adorian: I don't mind; why not let the BBC have one and we will have the other. Let them go really light and also have a channel which is really serious. But we would like to do the same thing; we would like to compete all out. But where does the money come from?

Jenkins: One of the entertainment unions has suggested that the BBC might be allowed to take advertising.

<sup>46</sup> This point had been made by Captain Tom Brownrigg, General Manager of Associated-Rediffusion, who said (*Daily Express*: 11 May, 1959):

'We do not believe it would be a sound idea to have the same artists, the same quizzes, the same shows, on two commercial channels in any one area.

'It could only lower standards. It could only put up costs in the fight for artists. It would do nothing to further the importance of television as a medium. If the ITA get the third channel they are committed to share it among the existing companies so in each area they would be competing against each other as well as against the BBC.

'In London the chances are A-R would be struggling for the same audience as ATV.

'Our plan is designed to avoid it—it could be a disaster for TV.

'And we feel there are so many cultural activities and so many fields of entertainment left right outside TV because of the present competition, that a brand new plan is needed.'

But ATV seemed to think that

'... Associated-Rediffusion has only mooted the culture plan because it fears free competition in the popular TV field.'

The Daily Express summed up:

'Associated-Rediffusion sees the "connoisseurs" channel as one way out of the problem. It knows that if it goes into direct competition with ATV in London its revenue is likely to drop by about £3,000,000 a year.'

Adorian: They could probably get some commercial revenue, but it would not be enough; it would subsidize to some extent, and an additional channel for them might break even within a few years. But if the BBC get commercial revenue we should obviously ask for licence fee revenue. I don't want to be nasty, the BBC is a good competitor and a standard against which we have to work.

Jenkins: Are you going to answer Lord Beaverbrook's criticisms in a considered way?

Adorian: No, Lord Beaverbrook punched against air; we are not going to reply. We will give the British public what they want and what our advertisers say they should have. Just look at what we have done in our schools' programmes. We have gone further here than in the United States, and we give supplementary information for teachers.

Jenkins: What about recent criticisms of the unnatural breaks in the programmes?

Adorian: You mean Mayhew? Mayhew? Well, he is involved in a highly capitalistic concern; they've got a higher return on their capital than us. Isn't that your question?<sup>47</sup>

Jenkins: Well, that wasn't exactly my point because the Beaverbrook papers have also been making these criticisms.

Adorian: He didn't get in at the right time at the right price. Rothermere is out and King is in. They are cousins you know.<sup>48</sup>
I take my hat off to King. Did you know he was the son of Rothermere's father's sister?<sup>48</sup>

Jenkins: How do you think a change of government would affect your company?

- <sup>47</sup> Mr Adorian was apparently referring to the East Anglian Daily Times, in which the father of Mr Christopher Mayhew, M.P., is the principal stockholder. This newspaper is also a stockholder in Anglia TV Ltd.
- <sup>48</sup> This was before Associated Newspapers re-entered television through Southern TV.
- <sup>49</sup> Mr Adorian was referring to the fact that Associated Newspapers (the *Daily Mail* group), controlled by Lord Rothermere, disposed of its interests in Associated Television at the time of the early losses. They were subsequently replaced by the *Daily Mirror-Sunday Pictorial* grouping, the Chairman of which is Mr Cecil King.

Adorian: We have a greater majority in any constituency than any Labour M.P. Ask TAM.<sup>50</sup> We have taken a great deal of trouble over the Labour Party, in the improvement of the broadcasts. We have done the same for the Conservative Party, but no one is going to change things; there is no plan, no document in existence to change us. Look at Sidney Bernstein—he is left-wing and conservative and tolerated by Left and Right. We are owned by everybody and the Pearl and the Pru. Are they going to take it away from them?

Jenkins: Are there any policy directives to your creative staff?

Adorian: We are not just here to make money, we all have other interests; farming, engineering, writing. Only one man has real power in this business—Bernstein. I have only interfered with education. Quite disinterestedly, but I was determined to make it go.

Jenkins: What is your opinion of the pattern of ownership in commercial television?

Adorian: It is different from the United States. One man might own 30 to 40 per cent there. But you ask our twenty-four directors how many times there has been interference with their work. We have had over a thousand plays since September 1955, and there has been no interference in any one of them. Did you see last Saturday's? The most beautiful lighting that ever happened, the most beautiful scenery that ever happened [laughs], the technicians were better than the script. Our Board of Directors has never criticized any plays before they happened—ever.

Jenkins: Don't you consider that there is a case for a 'serious' network? Adorian: Certainly there is a new market there. This is what worries Beaverbrook, but this would just be prestige ads to us. We would only get 25 per cent of the present rates and probably 10 per cent of the audience.

Jenkins: The Observer has been making some cultural criticism of you. What do think of its attitude?

Adorian: The Observer's attitude? I don't know; what is its circulation?

<sup>50</sup> Television Audience Measure Limited is a company jointly controlled by the programme contractors, which provides a rating which is a rough estimate accepted by the advertisers of the number of viewers for any programme.

One-seventh of the TV Times? And we have only been going three years....

Jenkins: This is an interesting statistic: is it significant?

It is possible that Mr Adorian was jesting with me all the time.<sup>51</sup> The Drayton group, as a whole, has a very sober attitude to money. It sent Rediffusion into television in harness with Associated Newspapers (see Chapter Seven on Southern Television) and Broadcast Relay Services (another Drayton company; see Table, page 60) to form Associated-Rediffusion.<sup>52</sup>

But the Daily Mail people seem to have taken fright during the early losses. They sold some of their half-share to their partners in January 1957, and had withdrawn completely by May 1958.<sup>52</sup> Within two years, losses of £300 per hour had been transformed into earnings of over £3,000.

The Daily Mail mistake was one of the most staggering and clear-cut financial errors in decades. How did they come to miscalculate so hugely and hastily? Mr Wills gave one version to Rediffusion shareholders on 29 July, 1959:

'Associated-Rediffusion Limited, in which your company holds a  $37\frac{1}{2}$  per cent interest, has had another successful year.

'You may have wondered why you do not own more than  $37\frac{1}{2}$  per cent of an undertaking which bears the name of your Company. The reason is simple; right up to the end of 1956 the enterprise remained so highly speculative, and needed such large sums poured into it,

<sup>51</sup> The Observer says that he spends much time 'at the opera and ballet' and 'adores tennis'. He was an umpire at Wimbledon in 1953.

12 It was with interest that, on 13 November, 1958, the astute City

Editor of the Daily Express, Mr Frederick Ellis, wrote:

'Yesterday, in my favourite bar I was told that Associated-Rediffusion, in the profit-spinning commercial "telly" firm, has paid an interim dividend—its first ever.

'As no announcement of such a dividend had been made I spoke to Mr John Spencer Wills, the Drayton man who is A-R's chairman.

'I asked him if A-R had declared an interim dividend. Mr Wills said:

"I cannot tell you anything about that. I cannot tell you."

'I pressed Mr Wills. And he said: "I am making no comment." He added that as A-R was a private company there was no machinery for making such an announcement.

"It is a unique situation," he said. I'll say it is. . . .

53 Financial Times: 29 May, 1958.

that your board just did not feel justified in risking any more of your money. At the beginning of 1954, the chairman and the then managing director of Associated Newspapers and I made a bargain that, if Associated Newspapers and Rediffusion were to decide to seek television programme contracts, they would only do so in equal partnership with each other. It was only after much anxious deliberation, and six months later, that your board decided to go ahead and, even then, without any anticipation of the size of the losses which would be incurred, they decided, with the consent of Associated Newspapers, to bring in their associated company, the British Electric Traction Company Limited, to share the risk. When, in 1956, the losses of Associated-Rediffusion had mounted to £2,600,000 and Associated Newspapers decided they had had enough (later the losses reached £3,250,000) your board thought it prudent, in view of our then strained financial position, to ask British Electric Traction to take up more than their share. Now that Associated-Rediffusion have had such an outstanding commercial success it may be difficult to realize how worried and depressed we all were for so long a period. I, perhaps, more than most, have every reason to remember.'

By 25 June, 1960, Rediffusion Ltd. was able to report an increase in group profits from £4,675,255 to £6,464,866 within one year (1959-60): shareholders got a 20 per cent tax-free dividend on a capital increased by a one-for-six rights issue.

The change in A-R's fortunes had been fantastically sudden; from a loss of £626,228 by the end of one year to a trading profit of £5·1 million in the next. On 23 September, 1959, Mr Wills predicted a 1959-60 profit of not less than £7 million.

To return to the Rediffusion organization; this has a number of interesting political personalities on its Board. These include a former Conservative Minister, the Earl of Swinton; Mr F. P. Bishop, M.B.E., Conservative Member of Parliament for Harrow Central, who is a director of Morphy Richards Ltd., Barberys Steamship Co. Ltd., and the Broadcast Relay Service (Overseas) Ltd.; and Sir W. W. Wakefield, Conservative Member of Parliament for St Marylebone, of A.E.C. Ltd., Associated Commercial Vehicles Ltd., British Domolac Co. Ltd., Broadcast Relay Service (Overseas) Ltd., Lake District Estates Co. Ltd., Park Royal Vehicles Ltd. (chairman), Portman Building Society, Redifon Ltd.,

Shapland & Petter Ltd., Skyways Ltd., and Transparent Paper Ltd.

Mr Drayton's other financial instruments are worth a survey.

His interests seem to be a consortium of British Electric Traction—Eagle Star Insurance—the Philip Hill companies—and, more distantly, the Midland Bank.<sup>54</sup>

He personally sits on many boards. In Eagle Star Insurance (which will often be remarked on in subsequent chapters), he has colleagues in Lord Rank and Mr John Davis of Southern Television. In the Philip Hill Investment Trust, a fellow director is Mr N. M. Codrington, again of the Rank Organization.

A TWW director, Mr Eoin Mekie, sits on the Sceptre board of the Eagle Star Organization, but is also linked with Tyne-Tees Television through one of his aviation businesses.<sup>55</sup>

Another A-R board member, Sir Edwin Herbert, is a director of the Yorkshire Insurance Co. Ltd.; so is Colonel Angus Ridley of Tyne-Tees TV, and Mr A. W. Tuke, the Chairman of Barclays Bank Limited. Sir Edwin also helps direct Enfield Cables Ltd., another director of which is Sir Phillip Warter, who is also the chairman of ABC Television. One of his companies is the Ultramar Co. Ltd., where a fellow director is Mr K. W. Mealing of Yule Catto & Co. Ltd., whose colleague there is Lord Bicester, who is linked with the House of Morgan-Grenfell, Shell, Vickers, A.E.I., and the Bank of England. Morgan-Grenfell is an English contact of the American House of Morgan.

The chairman of A-R, Mr Wills, is also with the Monotype Corporation, as is the son of the present Prime Minister, Mr Maurice Macmillan, Conservative Member of Parliament for Halifax. (The Macmillan family is, of course, a rich one. Their capital was enhanced by the sale, in 1951, of a controlling interest in the Macmillan Company in New York for £1,250,000. Their residual holdings have also appreciated.)

There are more piquant connections to come (although there are plenty of secondary tugs to be felt by any reader, eager to do a research-it-yourself job).

The financial consultant (and director) to A-R is Mr J. R.

<sup>&</sup>lt;sup>54</sup> See Table of Midland Bank Directors, page 62, British Electric Traction, page 56, Eagle Star Insurance, page 84, and the Philip Hill Investment Trust, page 70.

<sup>55</sup> See Chapter Eight.

Rickatson-Hatt, who is a director of Mercury Finance and Developments Ltd. This is a company of the S. G. Warburg merchant bank, which has a substantial holding in A-R's main rival—Associated Television Ltd.

At the same time, the Managing Director of the Draytonchaired Omnium Investment Company,<sup>56</sup> Mr P. L. Fleming (once a leading officer of the Epsom Conservative Association), is a director of George Humphries & Co., together with Cecil Bernstein, who with Sidney controls the Granada TV network.<sup>57</sup>

What has Mr Drayton got out of commercial television? The Economist said:58

'Almost a year ago, Mr H. C. Drayton, chairman of British Electric Traction, forecast profits for 1959/60 of £5,765,000. In fact, group profits for the year to March 31st last rose by 26 per cent from £4,615,780 to £5,836,894, which speaks highly not only of BET's management but also of its ability to assess future profits so accurately. The major part of this increase, as was foreseen last year, stems from BET's large interest in Associated-Rediffusion both directly through its own 50 per cent holding and indirectly through its considerable holding in Rediffusion. For the first time a full year's dividend was received from Associated-Rediffusion—a final dividend of 12½ per cent tax free for 1958/59 and tax free interim of 8½ per cent for 1959/60. This accounts for about 20 per cent of the group's total income; about one-third of total profits comes from BET's traditional bus interests.'

But Harold Drayton's power is much more substantial than the seemingly-enormous returns from television. He is in the programming contracting field because his other interests led him there. A-R is not central to his power even now. Take his Philip Hill Investment Trust. I say 'his', although I know the chairman, Sir Brian Mountain, has connections with the United Dominion Trust finance group.

Philip Hill Investment reported on 20 June, 196059:

'The gross income from dividends and interest of £1,091,382

<sup>56</sup> See Omnium Investment Company, page 73.

<sup>57</sup> See Granada TV Network, page 148.

<sup>&</sup>lt;sup>58</sup> 25 June, 1960.

<sup>59 28</sup>th Ordinary General Meeting, reported in the Economist, 25 June, 1960.

(£855,612) includes an increased dividend from the subsidiary of £100,000 (£50,000). Philip Hill Higginson, Erlangers Limited has had another successful year and the consolidated profits before taxation amount to £943,325 (£673,645). Taxation required £458,230 (£356,340), leaving a net profit of £485,095 (£317,305).

'Your Board intends to increase the issued Ordinary share capital of the Trust to £5 million by the issue to shareholders of a further 4,375,000 Ordinary shares of 5s. each at a price of 22s. 6d. per share. Your Board expects to be able to recommend dividends for the year to 31 March, 1961, amounting to not less than 22½ per cent on the increased capital. The proceeds of the issue will be used to extend the company's portfolio of investments.'

The Evening Standard had already noted:60

'Mr Harold Drayton, one of the biggest men in the City with millions at his command as an investment trust chief and industrialist, today launched his drive to court the small man. Half a dozen of his trusts said they were splitting their £1 shares to a handier 5s. each.

'They declared: "The principal object is to encourage the small investor."

'To carry the new campaign a step further, each of the trusts will scrap the 2s. 6d. charge usually made for putting new names on its register of share-owners. The six trusts are the:

British Industries, City and Foreign, London and Overseas, Second Consolidated, New York and General, Union Commercial.

'Between them, they have assets of more than £8 million.

'Some of their shares are now quoted on the Stock Exchange in £100 lots. Prices range up to £170 for them.

'The change means that the price range will now come down to between 8s. 6d. and 7s. 3d. for the 5s. shares.'

There were signs that Mr Drayton found certain limitations on his Philip Hill Higginson bank. The resulting process was discribed very clearly by Mr Andrew Shonfield:<sup>61</sup>

<sup>60 23</sup> September, 1959.

<sup>61</sup> Observer: 24 July, 1960.

'The City of London is full of restricted clubs whose members enjoy some crucial privilege. The merchant bankers, for instance, do a profitable line of business in "acceptances"; that is, they add their signatures to a promissory note (a promise to pay money in the future) issued by some company and charge a commission for it. Because the name of the bank is known, the piece of paper is now able to circulate as if it were as good as cash. However, in practice the only British banks which are able to "accept" are those which have been given an assurance from the Bank of England that when they present paper signed by them it will be rediscounted—i.e. in case of need the Bank will provide the cash. This is a crucial privilege in the gift of the Bank of England, and it is accorded to a few named firms—not on the basis of their present importance or the size of their present business, but because they got into the club at some stage in the past. So along comes a new banking firm, like S. G. Warburg, builds up a highly successful concern in the post-war years, and then wants to go into the lucrative business of writing acceptances for its business clients. The only way that it can do it is by finding a much smaller outfit, called Seligman, which has old boys' rights at the Bank of England, and buying it out.

'The same thing happened when Philip Hill Higginson—another energetic and successful firm with an excellent post-war record, but without the necessary pull at the Bank of England—bought Erlangers, which was better endowed with traditional rights. It is lucky, at least, that the prefects in the City hierarchy are for sale; otherwise there would be no commercial mobility at all.'

It seems that about £2,500,000 in cash was bid for Erlangers by the controlling Philip Hill Investment Trust, with a side arrangement that the Erlanger family should take up 500,000 of the Trust's shares for £750,000.

This, interestingly, aligns the new Philip Hill Higginson, Erlanger bank with the consortium of élite financiers planning the Channel Tunnel (Dillon, Read, Morgan Guaranty Trust and Morgan Stanley from the U.S.A., the Paris house of Rothschild and the fund-heavy rump of the Suez Canal Company).

Mr Drayton comes from near the heart of the City establishment, just at the point where industrial power pumps life blood into the permanent financial institutions. How will this power translated into terms of A-R's mass communications, be used?

Mr Wills has consistently made his policy quite clear. He wants an end to the daily hours limitation and he wants a 'serious' and a 'mass' channel for both the BBC and the contractors. He said in 1958, in classic entrepreneurial indignation: 62

'We ought to be allowed to broadcast during all twenty-four hours of the day if we wish. It is obvious we should not be likely to do so, but why should anyone prohibit us?'

Why indeed?

Some citizens may remember his description in 1956 of the public service responsibility of television:63

'Some of our critics say that we have a duty to educate; to improve the public taste. That I cannot accept. If an adult has the intelligence to elect a Member of Parliament to rule him in peace and war, he has the intelligence to elect what programme he wishes to see during his hours of leisure.'

There was also his joke at the 1958 meeting:

'Let our "intellectual" critics take consolation in the thought that the minority of today may become the majority of tomorrow! Perhaps I may be forgiven for wondering if they would really find this a consolation, for I suspect that they would hate nothing more than to find themselves in a majority.'64

- <sup>62</sup> A-R Annual General Meeting, 26 November, 1958.
- <sup>63</sup> Annual General Meeting, 19 November, 1956.

This is unlikely if commercial TV continues on its present course. Consider this comment from the Observer of 12 June 1960, on the very expensive opening feature for A-R's new Wembley Studio:

'An Arabian Night was a most depressing spectacle, witless, plotless, harmless as an old snake-charmer's leading cobra. It was supposed to show you how live television can compete with the cinema, but, of course, it didn't really do anything they weren't doing at Drury Lane fifty years ago when elephants and camels trod the boards in droves, and in natural colour too. If they felt absolutely compelled towards something oriental they might have done better with Flecker's "Hassan" or even "Chu Chin Chow". The electronic brain that picked this book from the words fed into it made a very sad choice. The "Scheherazade" score didn't help much.

'I wonder what the Ad-mass thought. Those 14,000 cubic feet of dancing girls were too modestly draped for the taste of Andy Capp, one would have thought. No one wore or needed a veil, but slave heroine "Anis" looked as if she could have done with a swig of the little green fairy. I only hope the Snake Man wasn't watching. When

The problem of who is fit to control television programmes, is a difficult one to solve. But this should not deter a question along these lines: what are the cultural qualifications of the leaders of the A-R top executives? Is it not clear that their test of success is a purely financial one?

When the reader notes the dozens of links between this company and all the other programme producing companies who are under ITA contracts, he may well feel alarmed. For the dominating ethos is subordination to the demands of the shareholders. Will this do in a medium as pervasive and moulding as television?

the good Vizier died in less than three seconds of a non-venomous python's bite he would have had one of his terrible African rages. As a lesson in how to waste £25,000 on what television should not do it was masterly. It was my sad duty to view on but fortunately it didn't clash too much with the second half of Henry IV, Part I, in the BBC's Age of King's series.'

# Chapter Three

#### ASSOCIATED TELEVISION LIMITED

Directors

Other Directorships

PRINCE LITTLER, C.B.E.

Moss Empires Ltd.

(Chairman) (a)

Stoll Theatres Corporation Ltd.

Leicester Palace Theatre Ltd.

Opera House (Leicester) Ltd.
General Building & Theatre Equipment Ltd.

Prince Littler Productions Ltd.

Finice Littler Housellons Ltd.

Associated Theatre Properties (London) Ltd.

Theatre Royal Drury Lane Ltd. Theatre Properties (South) Ltd.

Apollo Theatre Co. Ltd.

Apono Theatre Co. Ltd

H.M. & S. Ltd.

Theatrical Investments Ltd.

Associated Catering Co. Ltd.

Theatrical & General Advertising Co. Ltd.

Cardinal Productions Ltd.

Lyric Theatrical Co. Ltd.

Prince Littler Theatres Ltd.

Theatre Enterprises (London) Ltd.

Theatre Properties (Cardiff) Ltd.

Foreshore Lane & Property Co. Ltd.

Drama Service Ltd.

Ambassadors Theatre Ltd.

Woodheads Brewery Ltd.

South London Brewery Ltd.

Howard & Wyndham Ltd.

Brighton West Pier Co.

Brighton Marine Palace & Pier Co.

Southern Amusements & General Trading Co. (1945) Ltd.

Great Yarmouth New Britannia Pier Co.

Hammer Theatres (Hants) Ltd.

Hooper Struve & Co. Ltd.

#### ASSOCIATED TELEVISION LIMITED—continued

#### Directors

Other Directorships

PRINCE LITTLER, C.B.E.—cont.

Jenners Properties Ltd.

Winter Gardens Morecambe Ltd.

Tomler Productions Ltd.

Associated Television (National Studios)

Ltd.

ITC-Incorporated Television Co. Ltd.

Potteries Theatres Ltd. London Pavilion Ltd.

Radio Luxembourg (London) Ltd. Screen Music Publishing Co. Ltd.

NORMAN COLLINS

Watergate Productions Ltd.

Independent Television News Ltd. Television Facilities (London) Ltd.

Orchestral Concerts Society

Independent Broadcasting Services Ltd.

Hyde Park Films Ltd.

VALENTINE C. PARNELL

Moss Empires Ltd.

Overseas Travel (Great Britain) Ltd. Screen Music Publishing Co. Ltd.

Planned Music Ltd.

Planned Communications Ltd.

LEW GRADE

Lew & Leslie Grade Ltd.

ITC-Incorporated Television Co. Ltd.
Associated Television (National Studios)

Ltd.

Planned Music Ltd.

Planned Communications Ltd.

JAMES A. L. DRUMMOND

ITC-Incorporated Television Co. Ltd.

Mercury Investment Trust Ltd.

Alpha Television Services (London) Ltd.

Alpha Television Services (Birmingham)

Ltd.

Associated Television (National Studios)

Ltd.

Associated Television (Overseas) Ltd.

# ASSOCIATED TELEVISION LIMITED-continued

#### Directors

Other Directorships

JAMES A. L. DRUMMOND—cont.

Independent Television Corporation Inc. Planned Music Ltd.

Planned Communications Ltd.

EARL OF BESSBOROUGH

English Stage Co. Ltd.

Sherek Players Ltd.

British Society for International Understanding

Stansted Park Estate Ltd. Glyndebourne Arts Trust

Independent Television Corp. Inc.

Planned Music Ltd.

Planned Communications Ltd.

SIR ROBERT RENWICK
(Deputy Chairman,
Institute of Directors)

W. Greenwell & Co. Ltd. (Stockbrokers) A.E.I. Ltd.

East African Power & Light Ltd.
British Industrialist Association Ltd.

United Industralists Association Ltd.

Civil Protection (1946) Ltd.

Power Securities Corporations Ltd.

Lodge Plugs Ltd.

British Relay Wireless & Television Ltd.

Unidare Ltd.

Grampian Shipyards Ltd.

Nigerian Electricity Supply Corporation Ltd. Reliance-Clifton Cables & Industrial Pro-

ducts Ltd. (chairman)

Kenya Power Co. Ltd.

G. H. Osborne Building Products Ltd. Independent Broadcasting Services Ltd.

Planned Music Ltd.

Planned Communications Ltd.

ELIAS SAMUEL BIRK, B.A. Sunday Pictorial Newspapers Ltd.

Albert E. Reed & Co. Ltd.

Reed Corrugated Cases Ltd.

# ASSOCIATED TELEVISION LIMITED—continued Directors Other Directorships

ELIAS SAMUEL BIRK, B.A.—cont.

Brewery & Commercial Investment Trust Ltd.

F. W. Cook Investment Co. Ltd.

National Policy Purchase Co. Ltd.

Wilson Bros. Ltd.

A.T.V. (Australia) Pty. Ltd.

Associated Television (National Studios)
Ltd.

G. Barclay (London) Ltd.

Carvers (Merchants) Holdings Ltd.

The Corporation Street Estate Co. Ltd.

ITC-Incorporated Television Co. Ltd.

The Jewish Chronicle Ltd.

Tewish Gazette Ltd.

Pimlico Films Ltd.

Ropemaker Investments Ltd.

Cecil Films Ltd.

Transcontinental Films Productions (London) Ltd.

Kelly's Directories Ltd.

Whiteley Stevens (Holdings) Ltd.

Audley British Investment Trust Ltd.

R. P. T. Gibson (b) Westminster Press Provincial Newspapers
Ltd.

Birmingham Post & Mail Ltd.

Birmingham Dispatch & Mercury Ltd.

Economist Newspaper Ltd.

Financial News Ltd.

Financial Times Ltd.

The Banker Ltd.

Gulf (Al Khaliz) Ltd.

Near & Far East News (Asia) Ltd.

St. Clements Press Ltd.

S. Pearson Industries Ltd.

Whitehall Holdings Ltd.

Whitehall Securities Corporation Ltd.

## ASSOCIATED TELEVISION LIMITED-continued

Directors

Other Directorships

R. P. T. GIBSON-cont.

The Barrow News & Mail Ltd.

Bateman & Hewitson Ltd.

The Bedfordshire Times Publishing Co. Ltd.

The Bradford & District Newspaper Co. Ltd.

Wm. Byles & Sons Ltd.

The Cowdray Hospital Association Ltd.

The Darlington & Stockton Times Newspaper Co. Ltd.

Wm. Dresser & Sons Ltd.

Durham County Press Ltd.

Harrow Observer Ltd.

History Today Ltd.

Investor's Chronicle Ltd.

King & Hutchings Ltd.

Loxley Bros. Ltd.

Middlesex County Times Printing & Publishing Co. Ltd.

North of England Newspaper Co. Ltd.

Northern Press Ltd.

Oxford Mail & Times Ltd.

The Practitioner Ltd.

Ryder Street Properties Ltd.

Santa Gertrudis Jute Mills Co. Ltd.

The Skerne Printing Co. (1927) Ltd.

H. Smithson & Co. Ltd.

Swindon Press Ltd.

The Times Printing & Publishing (Public) Shareholding Co.

Westminster Press Pension Trust Ltd.

Westminster Gazette Ltd.

Wiley Displays Ltd.

Wiltshire Newspapers Ltd.

Yorkshire Herald Newspaper Co. Ltd.

#### ASSOCIATED TELEVISION LIMITED—continued

Directors

Other Directorships

H. K. CUDLIPP

Scottish Daily Record & Sunday Mail Ltd.

Daily Mirror Newspapers Ltd. Sunday Pictorial Newspapers Ltd.

Anglo-Canadian Pulp & Paper Mills Ltd.

Mirror & Pictorial Trust Co. Ltd.

Eileen Cudlipp Ltd.

Fleetway Publications Ltd.

C. O. STANLEY, C.B.E., (c) Pye Ltd. (chairman and managing)

British Relay Wireless & TV Ltd.\*

Sunbeam-Wolseley Ltd.

Blackwater Cotton Ltd.

Technograph Printed Circuits Ltd.

Unidare Ltd.

Unidare Engineering Ltd.

Invicta Radio Ltd.

Cathodeon Ltd.

Corran Works Ltd.

United Rentals Ltd.

Pye (Canada) Ltd.

Pye Corporation of America

Pye (Pty.) Ltd.

Pye (Australasia) (Pty.), Ltd.

Pamphonic Holdings Ltd.

Pye Electric Ltd.

Pye Industries Ltd.

Newmarket Transistors Ltd.

#### Notes:

(a) Prince Littler. Most of these companies are subsidiaries of Moss Empires Ltd. and Stoll Theatres Corporation Ltd.

(b) R. T. P. Gibson. Most of these companies are subsidiaries of Westminster Press Provincial Newspapers Ltd.

(c) C. O. Stanley. Most of these companies are subsidiaries of Pye Ltd.

<sup>\*</sup> Pye Ltd. and Murphy Radio Ltd. jointly own all the 'B' Ordinary shares of British Relay Wireless and TV Ltd.

# ASSOCIATED TELEVISION LIMITED—continued

Directors

Other Directorships

C. O. STANLEY- cont.

Pye Industrial Electronics Ltd.

Pye (Ireland) Ltd.

Camton Ltd.

Bessbrook Products Ltd.

Seafield Fabrics Ltd.

Independent Broadcasting Services Ltd.

#### PROFITS\*

	1958	1959
	£	£
Trading Profit	4,053,269	5,868,178
Depreciation	211,422	308,950
Directors	127,321	179,451
Auditors	3,000	5,536
Interest	45,617	16,095
Tax	1,668,000	2,715,076
Net Profit	1,997,909	2,643,070
Dividend	401,191	1,337,623
Retained	1,596,718	1,305,447

<sup>•</sup> For financial year ending 30 April.

Issued

80,000

3,750

3,000

3,000

150,000

#### ASSOCIATED TELEVISION LIMITED

#### OWNERSHIP\*

in Ordinary common or $\kappa_1$	*3~	,000
In 'A' Ordinary shares of 5s. (non-voting)	2,175,000	
	No. of Ordinary	No of 'A' Ordinary
Shareholders	Shares	Shares
Prince Littler	40,000	67,216†
Daily Mirror Newspapers Ltd.	20,000	720,000
Sunday Pictorial Newspapers Ltd.	20,000	727,500
Barclays Nominees (Branches) Ltd.	16,500	613,800
Westminster Press Provincial Newspapers Ltd.	10,000	341,490
Birmingham Post & Mail	7,500	230,000
Associated Electrical Industries Ltd.	7,500	170,000

British Insulated Callenders Cables Ltd.

Clifton Securities Co. Ltd.

Glyns Nominees Ltd.

Capital

In Ordinary shares of II

George Newnes Ltd. 2,500
Bishopsgate Nominees Ltd. 1,500
R. F. Nominees Ltd. 1,500
Ilford Ltd. 750
Lady Joan Renwick 750

J. O. Stanley 750
Rothschild Nominees 500
A. D. Peters 500

<sup>\*</sup> As at 17 September, 1959.

<sup>†</sup> Moss Empires hold 417,500 'A' Ordinary shares, Howard & Wyndham have 144,375. Since the annual return there has been a bonus issue of one 'A' Ordinary share for each 'A' Ordinary share and four 'A' Ordinary shares for each Ordinary share, so the figures in the right hand column are now subject to modification.

#### S. PEARSON INDUSTRIES LIMITED

Capital: In ordinary shares of £1, authorized and issued £500,000.

Directors

Other Directorships

VISCOUNT COWDRAY

Cowdray Estate Ltd.
Cowdray Trust Ltd.
Lazard Brothers & Company Ltd.
S. Pearson & Son Pension Trust
Cowdray Park Polo Company

D. L. POLLOCK

Westminster Bank Ltd.
Westminster Foreign Bank Ltd.
Westments Ltd.
Legal & General Assurance Society Ltd.
Westminster Press Provincial Newspapers
Ltd.
Wyvern Ltd.
Vickers Ltd.
Anza Ltd.

LORD POOLE

John Poole & Sons Ltd.
Richard Longstaff (Insurance)
John Poole & Sons (Life Pensions)
John Poole & Sons (Underwriting Agency)
Amalgamated Asphalte Companies Ltd.
P.M. Investments Ltd.
Acton Bolt Ltd.
Airwork Ltd.
Lazard Brothers & Company Ltd.
The Lawley Group Ltd.
Wyvern Ltd.
Old Vic Trust

Anza Ltd.

Financial News Ltd. Financial Times Ltd.

#### S. PEARSON INDUSTRIES LIMITED-continued

Directors

Other Directorships

M. D. N. WYATT

Airwork Ltd. Airwork Services Ltd. Withers & Company Ltd. The Lawley Group Ltd. L. & A. Properties Ltd. Maclaren Undercarriage Company Ltd. Fison-Airwork Ltd. Cripplegate Investment Company Ltd. Lawmen Investments Ltd. Air Charter Ltd. Air Charter (Air Crew) Ltd. Aviation Traders (Engineering) Ltd. Terminal Travel (London) Ltd. Morton Air Services Ltd. Transair Ltd. Wyvern Ltd.

R. P. T. GIBSON

(See Associated Television Ltd., page 101)

A. L. M. COLLINS

Broadminster Nominees Ltd.
S. Pearson & Son Pension Trust

Hon. Harry N. Morgan-Grenville (Resigned his directorship on 8/2/60)

DAILY MIRROR NEWSPAPERS LIMITED (And Sunday Pictorial Newspapers Ltd.)

Anza Ltd.

Key Directors

Other Directorships

C. H. KING

Anglo-Canadian Pulp & Paper Mills Ltd.

Daily Mirror Newspapers Ltd. (chairman and managing)

### DAILY MIRROR NEWSPAPERS LIMITED-continued

Key Directors

Other Directorships

C. H. KING-cont.

Dryden Paper Co. (Dryden, Ontario)

Newsprint Supply Co. Ltd.

Reuters Ltd.

Scottish Daily Record & Sunday Mail Ltd.

(chairman)

Sunday Pictorial Newspapers (1920) Ltd.

(chairman and managing)
West African Newspapers Ltd.

JAMES COOKE

Daily Mirror Newspapers Ltd.

Anglo-Canadian Pulp & Paper Mills Ltd.

Mirror & Pictorial Trust Co. Ltd.

Nigerian Printing & Publishing Co. Ltd.

Pictorial Publications Ltd. Reveille Newspapers Ltd.

Scottish Daily Record & Sunday Mail Ltd.

Sierra Leone Daily Mail Ltd.

Sunday Pictorial Newspapers (1920) Ltd.

West African Graphic Co. Ltd.

PHILIP ZEC

H. K. CUDLIPP

(See Associated Television Ltd., page 101.)

E. M. GRAY

Daily Mirror Newspapers Ltd. Albert E. Reed & Co. Ltd. Fleet Deliveries Ltd. (chairman) Mirror & Pictorial Trust Co. Ltd.

R. W. T. SUFFERN

Daily Mirror Newspapers Ltd. Reveille Newspapers Ltd.

#### DAILY MIRROR NEWSPAPERS LIMITED-continued

Key Directors

Other Directorships

R. W. T. SUFFERN-cont.

Scottish Daily Record & Sunday Mail Ltd. West African Graphic Co. Ltd. West African Newspapers Ltd.

ELIAS SAMUEL BIRK, B.A.

(See Associated Television Ltd., page 101.)

W. ATKINS

Sunday Pictorial Newspapers (1920) Ltd.

#### BIRMINGHAM POST AND MAIL LIMITED

Directors

Other Directorships

E. M. CLAYSON, A.C.A. (Chairman and Joint Managing)

Birmingham Dispatch & Mercury Ltd. (chairman)

Birmingham News & Printing Co. Ltd.

(chairman)

Birmingham Post & Mail (Exhibitions) Ltd.

(chairman)

National Trades Exhibition Ltd. (chairman)

West Midland Press Ltd. (chairman)
Yattendon Investment Trust Ltd.

THE HON. E. L. ILIFFE (Vice Chairman)

Coventry Newspapers Ltd. (chairman)

R. T. CRABTREE

(Joint Managing)

Birmingham Dispatch & Mercury Ltd. Birmingham News & Printing Co. Ltd. Birmingham Post & Mail (Exhibitions) Ltd. West Midlands Press Ltd. (managing)

LORD ILIFFE, G.B.E. (President)

Coventry Newspapers Ltd. (chairman) Guildhall Insurance Co. Ltd. (chairman)

London Assurance

#### BIRMINGHAM POST AND MAIL LIMITED—continued

Directors

Other Directorships

W. J. B. WALKER, C.A.

R. P. T. GIBSON

(See Associated Television Ltd., page 101.)

H. L. Howarth, M.A.

Westminster Press Provincial Newspapers Ltd. (joint managing)

Audit Bureau of Circulations Ltd.

Barrow News & Mail Ltd.

Bateman & Hewitson Ltd.

Bedfordshire Times Publishing Co. Ltd.

Birmingham Dispatch & Mercury Ltd.

Bradford & District Newspaper Co. Ltd.

Darlington & Stockton Times Newspaper Co. Ltd.

Durham County Press Ltd.

H. Smithson & Co. Ltd.

Harrow Observer Ltd.

King & Hutchings Ltd.

Middlesex County Times Printing & Publishing Co.

North of England Newspaper Co. Ltd.

Northern Press Ltd.

Oxford Mail & Times Ltd.

Press Association Annuity Fund Trust Ltd.

Press Association Ltd. (chairman)

Reuters Ltd.

Reuters Pension Fund Ltd.

Skerne Printing Co. (1927) Ltd.

Swindon Press Ltd.

Westmorland Gazette Ltd.

Wiley Displays Ltd.

Wiltshire Newspapers Ltd.

Wm. Byles & Sons Ltd.

Wm. Dresser & Sons Ltd.

Yorkshire Herald Newspaper Co. Ltd.

#### MOSS EMPIRES LIMITED

#### Directors

#### Other Directorships

PRINCE LITTLER, C.B.E.

(Chairman)

(See Associated Television Ltd., page 101.)

#### EMILE LITTLER

Arnlit Ltd.

Associated Theatres Productions (London)

British Amalgamated Theatres Ltd.

Cochran Productions Ltd.

Eden Press Ltd.

Emile Littler Donations Ltd.

Emile Littler Friends Ltd.

Emile Littler Ltd.

Emlit Ltd.

Finsbury Press Ltd.

Granthea Ltd.

Judy & Merrilee Ltd.

London Palace Ltd. (chairman)

Piccadilly Theatre Ltd.

Shakespeare Memorial Theatre (governor)

Stoll Theatre Corporation Ltd.
Theatre Enterprises (London) Ltd.

Theatre Leases Ltd.

Theatre Royal Drury Lane Ltd.

Theatres Mutual Insurance Co. Ltd.

#### STEWART CRUIKSHANK

Howard & Wyndham Ltd. (managing)

Apollo Theatre Co. Ltd.

Associated Theatre Properties (London) Ltd.

Daniel Mayer Co. Ltd.

General Building & Theatre Equipment Ltd.

H. M. & S. Ltd.

H. M. Tennent Ltd.

Incorporated Television Programme Ltd.

London Theatrical Productions Ltd.

#### MOSS EMPIRES LIMITED—continued

#### Directors

Other Directorships

STEWART CRUIKSHANK-cont.

Lornor Ltd.

National Insurance Co. of Great Britain Ltd.

(local)

Opera House (Leicester) Ltd.

Prince Littler Productions Ltd.

Sheffield Lyceum Theatre Ltd.

Stoll Theatres Corporation Ltd.

Teneb Productions Ltd.

Theatre & Opera House Leeds Ltd.

Theatre Enterprises (London) Ltd.

Theatre Royal Drury Lane Ltd.

Theatres Mutual Insurance Co. Ltd.

#### CHARLES GULLIVER

Stoll Theatres Corporation Ltd.

Associated Theatre Properties (London) Ltd.

Knole Park (Bexhill) Ltd. (chairman)
South Down Land Co. Ltd. (chairman)

Theatre Enterprises (London) Ltd.

Theatre Royal Drury Lane Ltd.

#### S. H. NEWSOME

Coventry Theatre

Associated Theatre Properties (London) Ltd.

Auto-Hire (Coventry) Ltd.

Coventry Hippodrome Co. Ltd. (managing)

Leicester Palace Theatre Ltd.

N.T.N. (Coventry) Ltd. (managing)

Newco Productions Ltd. (managing)

Opera House (Leicester) Ltd.

Pantomime Scripts Ltd.

S. H. Newsome & Co. Ltd. (managing)

Showcroft Enterprises Ltd.

Spabas Ltd. (chairman)

Stoll Theatres Corporation Ltd.

Theatre Enterprises (London) Ltd.

Theatre Royal, Drury Lane Ltd.

Wood Green Empire Ltd.

#### MOSS EMPIRES LIMITED—continued

Directors

Other Directorships

DAVID SIMPSON

Allan, Dawson, Simpson & Hampton, W.S.

B.B. Pictures (1920) Ltd.

Ocean Accident & Guarantee Corporation

Ltd. (local board)

Sunderland Empire Palace Ltd. (chairman)
Thornton & Co. Ltd. (also secretary)
W. N. Lindsay Ltd. (chairman)

Valentine C. Parnell

(See Associated Television Ltd., page 101.)

#### MERCURY INVESTMENT TRUST LIMITED

Directors

Other Directorships

ERIC KORNER

S. G. Warburg & Company Ltd., etc.

Major J. H. Hirsch (Banker)

\_\_

VICTOR BLOCH

James A. L. Drummond

(See Associated Television Ltd., page 101.)

J. G. Foster, Q.C., M.P.

British Deutz Ltd.

Keystone Investment Co. Ltd.

Lagan Textiles Ltd.
Shop Investments Ltd.
Western Ground Rents Ltd.

F. S. SMITH

S. G. Warburg & Company Ltd., etc.

## MERCURY INVESTMENT TRUST LIMITED-continued

Directors

Other Directorships

W. D. WHITNEY (U.S.A.)

(Barrister)

Capital	Authorized	Issued
_	£	£
In Ordinary shares of 10s.	100,000	70,000
In 5 per cent redeemable cumulative		
Preference shares of £1	150,000	135,000

Notes on Capital: All Ordinary except 4 shares held by Nutraco Nominees Ltd.

#### Holders of Preference Shares

Cannon & King Ltd.	36,450
Mrs Zoe Dukler	6,750
Mrs Y. Merriman	6,750
Midland Bank (Threadneedle Street) Nominees Ltd.	66,150
Mrs E. Van Norden, Mrs Z. Dukler and	
Mrs Y. Merriman	13,500
Nutraco Nominees Ltd.	5,400

# MERCURY FINANCE AND DEVELOPMENT LIMITED

Capital	Authorized and Issued
	£
In Ordinary shares of £1	5,000
In 4½ per cent non-cumulative Preference	•
shares of £1	5,000
In 4½ per cent redeemable non-cumulative	<b>J.</b>
Preference shares of £1	50,000

Notes on Capital: All held by Nutraco Nominees Ltd. except the 2 shares shown below.

# MERCURY FINANCE AND DEVELOPMENT LIMITED—continued

Directors	Other Directorships 1	Vo. Shares Held	
Frank S. Smith	S. G. Warburg & Company Ltd. Nutraco Nominees, etc.	I	
G. C. Seligman	S. G. Warburg & Company Ltd. Nutraco Nominees, etc.		
G. S. Warburg	S. G. Warburg & Company Ltd., etc.	_	
John B. Rickatson-Hatt	(See Associated-Rediffusion Ltd., 52)	page	
S. G. Warburg	_	ı	
PYE LIMITED			
Key Directors	Other Directorships		
Key Directors C. O. Stanley, c.b.e.	Other Directorships (See Associated Television Ltd., p	page 101)	
•	(See Associated Television Ltd., p	oage 101)	
C. O. Stanley, c.b.e.	(See Associated Television Ltd., p Kelvinator Ltd.	,	
C. O. Stanley, c.b.e.	(See Associated Television Ltd., p	,	
C. O. Stanley, c.b.e.	(See Associated Television Ltd., p  Kelvinator Ltd. L. G. Hawkins & Co. Ltd. (chairs)	,	
C. O. Stanley, c.b.e. L. G. Hawkins	(See Associated Television Ltd., p Kelvinator Ltd. L. G. Hawkins & Co. Ltd. (chairs Ranco Ltd.  Cambridge Works Ltd.	,	
C. O. Stanley, c.b.e. L. G. Hawkins	(See Associated Television Ltd., p Kelvinator Ltd. L. G. Hawkins & Co. Ltd. (chairs. Ranco Ltd.  Cambridge Works Ltd. Clifton Instruments Ltd.	,	
C. O. Stanley, c.b.e. L. G. Hawkins	(See Associated Television Ltd., p Kelvinator Ltd. L. G. Hawkins & Co. Ltd. (chairs Ranco Ltd.  Cambridge Works Ltd.	,	
C. O. Stanley, c.b.e. L. G. Hawkins	(See Associated Television Ltd., p Kelvinator Ltd. L. G. Hawkins & Co. Ltd. (chairs Ranco Ltd.  Cambridge Works Ltd. Clifton Instruments Ltd. Invicta Radio Ltd. Newmarket Transistors Ltd. Nixa Record Co. Ltd.	,	
C. O. Stanley, c.b.e. L. G. Hawkins	(See Associated Television Ltd., p Kelvinator Ltd. L. G. Hawkins & Co. Ltd. (chairs Ranco Ltd.  Cambridge Works Ltd. Clifton Instruments Ltd. Invicta Radio Ltd. Newmarket Transistors Ltd.	,	

Pye Group Records (Sales) Ltd. Pye Industrial Electronics Ltd.

#### PYE LIMITED—continued

#### Key Directors

Other Directorships

C. A. W. HARMER, O.B.E .- cont.

Pye Records Ltd.

Technograph Electronic Products Ltd.

Transcription Manufacturing & Recording Ltd.

Unicam Instruments Ltd.

W. G. Bye & Co. Ltd.

W. Watson & Sons Ltd.

E. J. W. STANLEY, M.A., B.SC.

J. O. STANLEY, M.A.

Blackwater Cottons Ltd.

Midleton Worsted Mills Ltd.

Pye (Ireland) Ltd.

Pye Marine Ltd.

Pye Telecommunications Ltd. (chairman)

Sunbeam Textiles Ltd.

Telecommunications Ltd.

N. A. Twemlow, M.B.E.

B. J. Edwards, M.B.E., M.I.E.E.

(Apart from executive directors.)

Owns, with Murphy Radio Ltd. all 'B' Ordinary capital of British Relay Wireless & Television Ltd., which operates sound radio and TV relay and rental services.

#### Directors:

Sir Robert Renwick

F. E. Duncan

V. F. W. Cavendish-Bentinck

P. J. A. Lachelin

C. C. Stanley

B. R. King

## PYE LIMITED

#### PROFITS\*

		Ordinary	Surplus	Net
	Total	Deferred	and Depre-	Tangible
	Profit	Dividend	ciation	Assets
	£000	£000	£000	£000
1951	669	41	160	2,521
1952	78 <b>7</b>	41	166	2,662
1953	959	70	241	3,191
1954	1,425	105	<sup>2</sup> 75	3,365
1955	2,490	181	948	5,950
1956	2,666	199 <del>1</del>	998	7,552
1957	2,313	200	822	8,067
1958	2,520	202	744	8,433
1959	2,976	240†	1,288	11,987

In addition:	Distribution to employees	£50,000
	Minority	£102,000
	Interest	£338,000
	Preference	128,000

<sup>\*</sup> For financial year ending 31 March. † Ordinary.

# Associated Television: The Men With the Mostest (Deferred) . . .

'Your Company during the past year contributed £26,000 . . . by way of grants to the arts and sciences.'

MR PRINCE LITTLER, C.B.E., in a Chairman's statement to the Fourth Annual General Meeting, 3 September, 1959.

'The Group profit before taxation . . . amounted to £5,316,493 . . .'

See MR FRINCE LITTLER (in the same statement)

CHIEF among the shareholders of Associated Television Ltd. 55 are the Daily Mirror-Sunday Pictorial Group, 66 Moss Empires, 67 and the Birmingham Post and Mail. They are all receiving handsome returns from their original holdings of 'A' Ordinary shares for which they paid £1 each. Not only are the dividends rocketing; so is the value of the shares. By the end of 1958 they were selling at £12 15s. (on an estimated annual profit of £5 million.

But this success story fades before the personal affluence gained by six directors, who must be the most fascinating contemporary British examples of the executive-owner. These are the men who formally owned the Deferred 1s. shares, which attracted 14 per cent of the profits remaining after a 10 per cent dividend has been paid on the Ordinary shares. In 1958, the Stock Exchange Gazette (based on the year ended 30 April, 1958) estimated the earnings on the Deferred 1s. at 2,180 per cent, which priced each one of them at £5 9s.

Six ATV directors held parcels of these money-spinning shares in the following proportions:<sup>68</sup>

<sup>65</sup> Hereinafter referred to as ATV.

<sup>66</sup> Hereinafter referred to as Mirror-Pic.

<sup>&</sup>lt;sup>67</sup> See Moss Empires Ltd., page 115.

<sup>68</sup> August 1957.

Director	Number of Shares Held
Norman Collins	45,000
Val C. Parnell	20,000
Prince Littler	18,000
Chas. O. Stanley	11,250
Sir Robert Renwick	10,000
Earl of Bessborough	6,750

The tax-free capital gains have been prodigious. Mr Norman Collins' portion might be worth anything up to £500,000 (a Sunday Express estimate based on original holding of £2,250), depending upon which estimate is taken and at what time. It is clear that it is a gain of not less than £250,000.

When the directors of ATV announced their estimate of more than £5 million in gross earnings for 1958-59 it was clear that this was conservative (it excluded profits from a recent acquisition of 'a substantial stake' in Pye Records, 10 per cent of a Brisbane television station, and 'control' of the Incorporated Television Company).

In the circular that reported this increase of £1,335,000 (or 40 per cent), in earnings over twelve months the Board also proposed converting the Deferred shares into 'A' Ordinary on the basis of £13 of 'A' shares for each 16s. of Deferred capital.

This eventually gave them just under 14 per cent of the combined Ordinary and 'A' Ordinary capital, which reflected their old right to 14 per cent of distributed profits after a fixed dividend on the other share capital and, secondly, in a winding up, to 14 per cent of the amount remaining after the Ordinary and 'A' had been repaid at par.<sup>70</sup>

<sup>69</sup> Sunday Express: 23 August, 1960.

<sup>&</sup>lt;sup>70</sup> Various other changes in the capital structure were also proposed and have been effected. ATV's chairman, Mr Prince Littler, reported to the Company's Fourth Annual General Meeting, on 3 September, 1959:

<sup>&#</sup>x27;In the past twelve months there have been considerable changes in the capital structure of your Company. On 30 September, 1958, the remaining £207,120 of the 6 per cent Convertible Unsecured Loan stock, 1960-63, was converted into "A" Ordinary shares of £1 each, but with a reduced right to dividends in respect of the year ended 30 April, 1959, and the Company's 6 per cent Unsecured Loan stock, 1960-63, was redeemed at 102½ per cent.

<sup>&#</sup>x27;On 11 December, 1958, the authorized capital of the Company was

Even if a Labour Government were effectively to liquidate the programme contracting companies, these six ATV directors would remain handsomely privileged citizens.

I went and talked with one of them, ATV's Deputy Chairman, Mr Norman Collins, 11 who has an elegant, non-contemporary office in his company's new white, muzak-toned office block near Marble Arch. The interview took place on 15 June, 1959. 12

Jenkins: You are credited with having sparked off commercial television, Mr Collins. How did you do it?

Collins: How did I do it? It was difficult; there was anti-American feeling at the time, I explained that the sponsorship of programmes was American and this was not sponsorship and that helped to settle it.

increased to £5,000,000 by the creation of 2,980,000 additional "A" Ordinary shares of £1 each, and 305,000 new "A" Ordinary shares of £1 each were issued credited as fully paid by way of capitalization of reserves and distributed to the holders of the Deferred shares and the 400,000 Deferred shares of 1s. each were converted into 20,000 "A" Ordinary shares of £1 each. On the same date each of the Company's 4,850,000 "A" Ordinary shares of £1 were sub-divided into four "A" Ordinary shares of 5s. each.

<sup>&#</sup>x27;On 19 March, 1959, 7,871,520 fully paid "A" Ordinary shares of 58. each numbered 1 to 7,871,520 inclusive were converted into stock, transferable in amounts and multiples of 58. The 828,480 "A" Ordinary shares of 58. each, arising from the conversion of the Loan stock on 30 September, 1958, will be converted into stock after the payment of the final dividend in respect of the year ended 30 April, 1959, at which time these shares will rank pari passu with the remaining "A" Ordinary stock.'

This is not a complete transcript. Mr Collins asked me not to

publish one of the best stories, and various natural verbal redundancies went deliberately unrecorded at the time.

<sup>78</sup> I had earlier spoken to Mr Alfrey, who was in charge of public affairs for ATV, and said that I would like to talk to Mr Collins about new channels, licence renewals, profits and public responsibility. He told me that, as a result of the network arrangements, the various major companies sub-divided their responsibilities: ATV 'did' religion (plus a little from ABC), A-R 'did' schools, while ATV 'did' a third of the network drama.

Jenkins: What is the story behind it?

Collins: I am afraid there is a great deal that can't be said about

that yet.73

Jenkins: How do you feel about the present situation?

Collins: We now have a new monopoly situation. If you are an advertiser in London you have to accept my terms or Paul Adorian's. We need another commercial service so that there can be competition in the same place at the same time. This is possible in the popular centres—London, Birmingham,

Coventry, Glasgow, Manchester.

Jenkins: Of course, you do have some division in London and Birmingham as between the week-day and the weekend contracts?

Collins: The difference between week-day and weekends is unreal.

We have never made a secret of the fact that we would like a seven day service in London and a competitive service in Birmingham.

Jenkins: What about the BBC?

Collins: The BBC do not need commercial revenue. They have a substantial source of revenue without it. The Radio Times shows a million pound profit annually. You can run on a grant-in-aid or on commercial revenue but you can't do both. The BBC now has programme integrity. But say the BBC was doing a documentary on the motor industry. Could they do it if Ford and General Motors had bought time fore and aft?

Jenkins: One of the entertainment unions thinks this would be possible.

Collins: The BBC is a Brahmin organization—you can't mix it with the commercial. Even if they wanted to they could not live in the mountains and occasionally foray down into the plains and mix.

Jenkins: Mr Roy Thomson feels that he would like to have the BBC competing with him.

73 He added to Mr Robert Pitman, of the Sunday Express, on 23 August, 1959:

'When I first put up the idea almost everyone was against it. A few M.P.s backed me. That was all. Then one day came the turning point....

'But it was hard going for me. I had no income coming in at all. I sold off my life insurances one by one. Without the money I had earned from my books I would never have managed.'

Collins: I disagree with that.

Jenkins: What is your attitude to the Beaverbrook papers' criticisms? Collins: The history is the Mail was in: the Daily Express was out.

They should both be in. Isn't it ridiculous that Odhams isn't

in? Perhaps Reynolds too.

Jenkins: Why exactly do you say that?

Collins: Why? Newspapers have learned to, and use, their special

responsibility and it is the briefest extension into television.

Jenkins: Can you tell me any more about how your campaign for

commercial television started?

Collins: I got together a small group. Renwick (he saved the country with radar production during the war), C. O. Stanley of Pye (you have to have an electronics man), and Korda. We didn't have a press man because of the relationship between the newspapers in Fleet Street. We then got Alex Atkinson of E.M.I. (to have another electronics man besides Pye). We then had Bessborough of Benson and Lonsdale because we needed a merchant bank and not a joint stock bank. Prince Littler already had Warburgs and we have both now. So that is what you need films, newspapers, a good lawyer and a merchant bank.

74 The Observer comment on this was in a 'Profile' of Mr C. O. Stanley, published on 21 August, 1960:

"To the fierce task of breaking the BBC's monopoly, Stanley contributes materials and endless enthusiasm. He financed Norman Collins, the ex-BBC man who stumped the country selling the idea of commercial television (CTV) in the early fifties to the extent of £150,000; without this and a similar sum from Sir Robert Renwick, the financier, Collins' persuasiveness might have come to nothing.

'Stanley, Renwick and Collins are now linked with one of the main commercial TV-radio projects; the Pye know-how and prestige are invaluable aids, as they were with CTV; and always in the background is the softly convincing voice and the steady good humour, like insoluble sugar, of C. O. Stanley. . . . Stanley insists it was his principles, not the desire to sell more equipment, that made him say Yes when Norman Collins called on him in 1950, after E.M.I. had said No. . . . he still thinks that programmes directly sponsored by advertisers would be a better arrangement than the programme-contractor system that was finally devised by the ad-men as being politically acceptable.'

Atticus in the Sunday Times (ITV fifth birthday feature, The Tele-Tycoons) had this additional data on 18 September, 1960.

'A vital meeting in the history of ITV took place one day in 1952, when

Jenkins: Do you expect to pay more money for your licence to operate

when it expires in 1964?

Collins:

When we come to 1964 it is highly likely that we shall pay a Collins: lot more. Of course we must be very careful of what we do. but we have done things the BBC never did. We did the first local filmed bulletin in the Midlands, the first regular weekly religious service and A-R does schools.

Jenkins: What are your criticisms of the present arrangements?

The present restriction of fifty hours weekly is wrong. Newspapers do not have to have Government permission to print two extra pages. We should put on as many hours as the public and the advertisers will support. I have a pet project; the University of the Air. I suspect it would have to be on Saturday mornings (we are all used to the five-day week now.) I used to be a WEA lecturer. We could produce on Saturday morning the most important single contribution to adult education. In 1964, if we have had our fun and our games and our Westerns and the University of the Air, we should be all right. We will get our licence but we will pay more. When I stayed at the BBC after being Director-General of the Forces programmes, I went to the Light Programme. It had 30 per cent of the listeners, the Home had 70 per cent. In eighteen months I reversed it. I put in Woman's Hour, Radio Newsreel ... was it right?

Jenkins: Mr Paul Adorian of A-R would like to compete with the BBC at all levels.

Collins: I disagree with Adorian. The Third Programme has only emphasized the gulf between culture and the people and made it unbridgeable. The BBC should be Sadler's Wells,

Collins called five key men together in the small library of the Reform Club. They were Sir Robert Renwick, the stockbroker, Charles Stanley, Chairman of Pye, Lord Duncannon-now Lord Bessborough, Sir Alexander Aikman, Head of E.M.I. and Sir Alexander Korda, Together they agreed to form the Associated Broadcasting Company; the choice of initials was deliberate—so that one day their programmes would be printed above the BBC in the papers.

"In those early days," says Collins, "you never knew who was on your side. In the club one man would come up to you and say 'God bless you for what you are doing.' Another would say 'You are

a perfect swine'."

Covent Garden, the Old Vic and Glyndebourne. It should be like the British Council... (I spend an awful lot of my time raising money to keep such things going); the Court Theatre, the Concert Society...<sup>75</sup>

Jenkins: How exactly would you apply yourself to the raising of levels of taste?

Collins: If I were made Director-General of the BBC I would broadcast Shakespeare, perhaps Hamlet every night for a week.

Jenkins: Mr Collins, you have been extremely frank. So have other people in this business. Why?

people in this business. why:

Collins: Why are commercial television people frank? It is a new industry, it has unconventionality, brashness.

Jenkins: What about politics? Are your programmes impartial?

Collins: We have done our best. Although at the moment I owe Hugh Gaitskell five minutes. Of course, things like the Lord Mayor's banquet are traditional; and we have the Prime Minister. Hugh Gaitskell said to me once that leaders of the Opposition have no such opportunities. So I asked him to suggest something. 'What about me receiving the Freedom of Harlow New Town?' he said. But it isn't the same. So he said, 'Well, the elections are coming up, let's forget about it.'

Jenkins: What about the values of your programmes?

Collins: Of course, the advertisers suggest the better life; obviously they want people in favour of a property-owning democracy. But look at Free Speech. No one ever allowed A. J. P. Taylor to say such things before . . . We have done shows on polio, insanity. . . . Yesterday, we talked in here about two shows for the autumn on old people and spastics as they grow up. We decided to cancel them. Perhaps we will do them after the Election . . .

Jenkins: Would you do a programme at the moment on unemployment or coal?

The following was reported in the Sunday Dispatch, 22 May, 1960: 'At a literary luncheon came this spirited tilt at commercial television. Said the speaker: "It has been a pleasure to enjoy this intellectual atmosphere. For a whole hour there has been no violence, nobody has won anything and nobody has been urged to buy anything." The speaker (with tongue in cheek): Norman Collins, pioneer of commercial television.'

Of course there are probably a hundred too many mines (how Collins:

many are there altogether?); it is useless for men to work in them unprofitably. But say we did a show-it would be of general interest but it would depress the miners immensely. We are going to do a show about the folklore of the Western.

Jenkins: What about your own political beliefs, Mr Collins?

I expect that I may be a Conservative Parliamentary can-Collins: didate in the General Election (as you know there is an absence of issues and there will probably be a Conservative Government with a small majority).76

76 In the event, this did not occur. But Mr Collins still seems anxious to enter Conservative Parliamentary politics. On 23 August, 1959, Mr Robert Pitman noted in the Sunday Express:

'In politics Collins dearly wants to be an M.P. He got on the short list for the safe Tory seat of Cirencester. As a living instance of slick, new-style Toryism in action, he might have been expected to carry the selection conference with ease. But he was not chosen.

'Why? In his office Collins and I talked about the Cirencester failure. It became clear to me that he had lost because he still opposed capital punishment.'

On 20 October, 1959, the Evening Standard reported:

"The interesting and important role of Mr Norman Collins, novelist and television magnate, in Mr Macmillan's Election campaign has passed unnoticed. Today I place it on record.

'It was from Mr Collins that Mr Macmillan took advice when the Tories' TV fortunes had reached their lowest point. Mr Macmillan saw Mr Collins late one night. The Premier was still on tour. The two men met in Nottingham.

'That last broadcast was the best of the lot. Mr Collins deserves much of the credit. But for his part in the affair, the Tories might have been left with little to put on the screen save a series of films made in advance to cover the whole election. They were somewhat similar to the much criticized conversation piece with which the Tories opened their TV campaign.

'These films will now lie for ever in the vaults of the Central Officedreadful examples of what not to put on the screen if you want to woo the electors.'

It followed this, on 16 December, 1959, with:

'I learn today that the Tories of Harrow West, that desirable safe seat, have now reduced the crowd of eager applicants to a short list.

"Two of the names being canvassed: Mr Peter Walker, 28-year-old chairman of the Young Conservatives, and Mr Norman Collins, the television tycoon

'Mr Walker, of course, has several years of honest toil in the

Jenkins: Is there anything in your programmes which might be the subject of objections from your audience?

Collins: If there was anyone who could object to anything in ATV shows, all I can think of is that he would be a rationalist or a free-thinker who didn't like the Epilogue.

Mr Collins is part of Britain's Entertainment Establishment, although perhaps he does not twinkle as brightly there as his associates, Mr Prince Littler, Mr Val Parnell and Mr Lew Grade.

ATV is generally thought of as the Show Business company among the commercial television contractors. But this is a quite unreal distinction to make, for together with Associated Rediffusion, it dominates the field and its power and influence go far beyond the production of illusion. It originally secured an appointment from the Independent Television Authority to service the Midland area from Monday to Friday, and the London area for the weekend. ABC Television Ltd. secured the Midland weekend, and Associated Rediffusion the weekdays for London. Out of this pattern has evolved a set of alliances. An interesting connection has grown up between Associated Television and ABC Television in the Midland area.

The Midlands Controller of ATV has explained: 'In the first phase of Independent Television in the Midlands ATV leased its studios and technical personnel to ABC each weekend...' However, with the increasing intimacy of the two companies in Birmingham, '... in due course it was decided that because of the close affinity of interests the two Contractors should own and operate the studios jointly, and a third Company, Alpha Television Services (Birmingham) Limited, was formed to take over the Television Theatre at Aston.'

With this local organic connection ATV has consolidated a massive stake in the industry. By the autumn of 1959, out of 1.65 million Midlands homes, 1.25 were equipped to see ITV programmes with an average of 2.5 viewers per set at peak viewing hours.

The task of presenting programmes to such a mass audience

Conservative Party behind him. He fought Dartford in the last two Elections.

<sup>&#</sup>x27;And Mr Collins? He is the man whose advice made Mr Macmillan's final election television appearance into a triumphant success.'

is obviously a tremendous one and impregnated with clashing social and economic concepts. It is therefore proposed to examine in considerable detail the ownership of the Company in order to identify correctly the owner-controllers of this vast idea-apparatus.

On a careful examination it becomes clear that there are certain key financial influences present in the central direction of ATV. One of these is the important and rising merchant bank of S. G. Warburg, 77 which partners the American stockbroking firm of Kuhn, Loeb Co., of New York City. An ATV director, Mr Drummond, is a director of a Warburg-controlled firm called the Mercury Investment Trust, 78 where all of the ordinary shares except four were held by Nutraco Nominees Ltd.

The Daily Telegraph commented of S. G. Warburg, in 1959, shortly after the firm had been in the public eye:

'There is a noticeably more buccaneering tone about some recent financial operations. The metal seems to be showing through the worn knuckles of the velvet glove. Warburg's tactics in the British Aluminium negotiations were pretty forthright, and Hambros' handling of the News of the World bid for George Newnes has not been girlishly sensitive.'

Another financial correspondent commented:

'There is money to be made out of these goings-on in the banking world. The majority of the big groups have shares quoted in the market and some of them could net you a nice profit in due course. Which should you buy? The most brilliant merchant banker of all, in my opinion, is Mr Sigmund Warburg, but the shares of Mercury Securities, which controls Warburgs, have rocketed from £7 to £15 in a year and now yield only 1½ per cent.<sup>79</sup>

78 See Mercury Investment Trust Ltd., page 117.

<sup>&</sup>lt;sup>77</sup> Taurus, in the *New Statesman*, noted on 30 July, 1960: 'Mercury Securities, the parent company of Warburgs the bankers, has reported doubled profits—nearly, but not quite, the best City performance of the year.'

<sup>79</sup> Mr S. G. Warburg, chairman of Mercury Securities, warned his shareholders in 1959 that they should not be 'misled by the boom in making any forecast of the group's future earnings.' He was altogether too circumspect. The profits of the group which own the merchant bank of S. G. Warburg, 'more than doubled from £1,234,727, to £2,481,044 after a transfer by the banking subsidiary to contingencies reserve.' (Economist: 30 July, 1960).

'I therefore prefer Hambros Bank shares at a fiver a time to return 4½ per cent. The scope over the years for capital appreciation should be considerable.

'Singer & Friedlander shares at 50s. are attractive for the same reason. Here the return is only 3½ per cent, but a rising dividend could soon put that right.'

The News Chronicle featured a story on 13 June, 1960.

'Merchant banks are participating fully in the merger movement which has been common to most branches of industry recently. The trend towards bigger units in this specialized, time-honoured City field is not surprising. As businesses grow, so must the banks in order to be able to provide the necessary finance and a wider range of services.

'There are, however, two distinct trends in the merchant bank movement; those who link like with like, and others who prefer to diversify, to build a mixture business around the banking nucleus.

'It seems more than coincidental that S. G. Warburg & Co., newest of all merchant banks, has been active in both spheres. It began the marriage-go-round with the acquisition of Seligman Bros. in 1957 and it has also become a fully diversified group under the umbrella of Mercury Securities, the holding company.

"The phenomenal growth of S. G. Warburg during the fourteen years it has existed in its present guise, the successful policy of diversification, as well as the gradual delegation of work to a team of younger executive directors, all owe a great deal to the imaginative personality and vital leadership of its founder, Mr Siegmund Warburg. Born in Southern Germany fifty-eight years ago and a member of an old German banking family, Siegmund Warburg came to England in 1933... In the first years S. G. Warburg concentrated on special industrial transactions and repatriations. The important American link with Kuhn, Loeb & Co., 80 which has led

<sup>&</sup>lt;sup>50</sup> This is the company with which Admiral Lewis L. Strauss, the former chairman of the United States Atomic Energy Commission, was associated. *Newsweek* magazine (16 June, 1958) wrote of him:

<sup>&#</sup>x27;... Strauss never went to college, but he became the associate and protégé of Herbert Hoover (in world food relief after World War I), a millionaire banker (with the New York firm of Kuhn, Loeb & Co.), and a distinguished naval officer in World War II.'

to a variety of big international issues, was forged eight years ago. In the city the firm figured prominently in the tussle for control of British Aluminium when it acted for the U.S. concern Reynolds Metal and our own Tube Investments group. It played an active part in the promotion of commercial television, acted as adviser to the U.S. Timken Roller Bearing Co. when it acquired the minority holding in the British subsidiary and latterly advised Thomson Newspapers in its takeover of the Kemsley chain . . . More new ground is likely to be broken soon with the introduction of shares of leading Continental industrial companies on the London market.

'Apart from the banking company, Mercury Securities controls Brandeis Goldschmidt—possibly the most active metal business in the City—Hecht, Levis and Kalm, the rubber merchants and shippers, a firm of insurance brokers, an advertising agency and a property development company . . .

'As a staunch supporter of the Atlantic Community Mr Warburg will now be able to devote more time to strengthening the ties between Britain and North America on the one hand and the Continent on the other.'

Warburgs used to be bankers for Mr Roy Thomson of Scottish Television. As the *Observer* commented on 29 January, 1961, 'Thomson suddenly changed his bankers last week, leaving S. G. Warburg, who are King's bankers. It could be that this arose out of the struggle between Mr Thomson and Cecil King of the *Mirror-Pictorial* group over Odhams Press.'

It is difficult to know the value of S. G. Warburg's involvement in ATV, but in their report of an incident of the Annual General Meeting of ATV in 1959, the *Daily Telegraph* noted<sup>81</sup> that Dr N. M. Green was:

"... claiming half the £270,000 share fortune made by Miss Suzanne Warner, the former Associated Television publicist, and 5 per cent of the shares held by the City bankers, S. G. Warburg & Co., bankers to the company. The value of Warburg & Co.'s shares has been estimated at several million pounds.'82

<sup>&</sup>lt;sup>81</sup> 4 September, 1959.

<sup>82</sup> On 3 April, 1959, James Thomas had reported in the Daily Express that:

<sup>&#</sup>x27;Eight West End show business chiefs-including Val Parnell,

In February 1960, there was a bonus issue of £430,000 in the £1 Ordinary shares of Nutraco Nominees.

Another director of the Mercury Investment Trust is Mr J. G. Foster, q.c., who is the Conservative Member of Parliament for Northwich, while the biggest single holder of Preference shares is the Midland Bank (Threadneedle Street) Nominees Ltd., who hold 66,150, as compared with a total issue to other persons of 68,850.

But Warburgs are not the only merchant bank capable of influencing policy in ATV. The firm of Benson, Lonsdale is represented by Lord Bessborough; he is also associated with Pye Ltd., whose chairman and managing director is another ATV director. The Benson, Lonsdale Co. has immensely influential

Prince Littler, and Lew Grade—are expected to be called as witnesses in a case involving a dispute over commercial TV shares worth almost £400,000.

'Mr Parnell, Mr Littler and Mr Grade are principals in the wealthy commercial TV programme company Associated Television, whose former publicist, Miss Suzanne Warner, is facing substantial claims against her shareholdings.

'The shares are being claimed by Dr Nathaniel Mayer Green, 48-year-old Mayfair practitioner, whose London solicitors yesterday issued a writ containing claims against Miss Warner and the big city merchant bankers, S. G. Warburg and Company.

Miss Warner, 34-year-old, honey-haired American who was named recently in a divorce petition successfully brought against Dr Green by his wife, made nearly £270,000 in commercial TV deals in shares, and Dr Green is claiming half her share fortune.

'Warburg and Company, bankers to Associated Television Ltd., are being sued for 5 per cent of their TV shares, estimated to be worth several million pounds.

'Dr Green's claim on Warburg and Company is expected to total £225,000 and his claim on Miss Warner more than £125,000.

'In each case, the doctor is making alternative claims for damages for breach of contract.'

On 30 January, 1961, the Daily Express reported that Dr Green's claim had been settled out of Court. James Thomas wrote:

'The settlement, I understand, has cost Miss Warner less than £15,000 including legal expenses . . .'

'It was the second lawsuit started by Dr Green over Television shares. The other was against S. G. Warburg & Co., bankers to Associated Television. He claimed 5 per cent of the shares held by Warburgs worth well over £1 million. But a year ago he settled out of court for about £30,000.'

connections. A director of this bank is Mr C. E. Benson who is also a director of Lloyds Bank.

Another Benson, Lonsdale director is Lord Rockley (a fellow director with Lord Cilcennin, chairman of TWW, on the Board of Clerical Medical and General Life Assurance Society), who is with Ilford Ltd.; he is also a director of Kia-Ora Ltd., and the National Provincial Bank Ltd. As well as this, he is the deputy chairman of Schweppes Ltd., and his banking and insurance connections seem to be the most important of any ATV controller. 53

His colleague, Lord Bessborough, who was educated at Eton and Trinity, has, by means of his connections and interlocking directorates, massive financial support, but this can be rivalled industrially by Sir Robert Renwick. Sir Robert is deputy chairman of the Institute of Directors and a director of Associated Electrical Industries Ltd., the chairman of which is the former Conservative Colonial Minister, Lord Chandos (formerly Sir Oliver Lyttleton). Through his directorship of British Relay Wireless & Television Ltd, <sup>84</sup> he is connected with important persons in the shape of his fellow directors, Mr F. B. Duncan, who is vice-chairman of Murphy Radio Ltd., Mr V. F. W. Cavendish-Bentinck, of the Philip Hill Investment Trust Ltd. <sup>85</sup> and Mr P. J. A. Lachelin of Philip Hill Higginson & Co. Ltd. <sup>86</sup>

<sup>&</sup>lt;sup>83</sup> See table of directors of Clerical Medical and General Life Assurance Society, page 208.

<sup>&</sup>lt;sup>84</sup> Mr Prince Littler reported to the ATV Annual General Meeting on 3 September, 1959:

<sup>&#</sup>x27;Last year you were notified of the acquisition at par by your Company of £500,000 7 per cent. Convertible Unsecured Loan stock, 1967-68, in British Relay Wireless and Television Limited under the terms of issue of which the Company has options, exercisable on 30 September, 1961, or 30 September, 1962, to convert the whole or part of the stock into fully paid Ordinary shares of 5s. at the rate of 134 shares for each £100 stock converted. In February 1959, British Relay Wireless and Television Limited made a rights issue and your Company subscribed for 268,000 new Ordinary shares of 5s. at 20s, which was its entitlement under the terms of the Loan Stock Trust Deed. The operations of British Relay Wireless and Television Limited continue to expand and your board is confident that this investment will prove profitable.'

<sup>85</sup> See Philip Hill Investment Trust Ltd., page 70.

<sup>86</sup> See Philip Hill Higginson Erlangers Ltd., page 76.

The 'Philip Hill' financial group is under the primary influence of Mr Harold C. Drayton, who has connections both with the Midland Bank<sup>87</sup> and the Eagle Star Insurance Co. Ltd.

These two great institutions obviously enjoyed the expert advice of Mr Drayton and his associates. Through them and other institutions he seems—although in an unprovable and non-concrete way—linked to a number of the commercial TV companies.

To pursue this further: in 1959 there was a merger of the Erlanger banking house with Philip Hill Higginson to create a stronger and more diversified undertaking. Mr K. H. Preston reinforces the group by being a director of both the Midland Bank and Philip Hill Higginson Erlangers. The Midland Bank and Eagle Star Insurance Co. have a common director in Sir G. S. Harvie-Watt (formerly Conservative M.P. for Richmond) and Mr J. P. Hunt, who is, however, only on the Southern local board of Eagle Star. Also connected with this group is Sir Gerard d'Erlanger who, until recently, was the chairman of the nationalized British Overseas Airways Corporation. 88

The Eagle Star Insurance Company's connection with the commercial television business does not end with ATV, for Mr J. H. Davis (managing director of the Rank Organization) is also a director of Southern Television and a member of Eagle Star's board. This seems fair enough after the circle is completed with Mr W. M. Codrington, and Mr H. R. Moore, of Hill Higginson, on the board of the Rank Organization. This set of connections is formally surmounted by Sir Brian Mountain as chairman of Eagle Star and a director of Philip Hill Higginson Erlangers.

Now to come to Mr Drayton himself, who is the chairman of at least thirty extremely important companies and a director of nine others of interest, and also the chairman of British Electric Traction Ltd. This organization is also an investment trust (partly based on monies received from the state in compensation for its loss of property on nationalization). British Electric Traction owns 50 per cent of the share capital of Associated Rediffusion as well as having secondary, though important, connections with Associated Television. Another 37½ per cent of A-R shares are held by

<sup>57</sup> See Midland Bank Ltd., page 62.

<sup>88</sup> See Power At The Top for a more detailed analysis of Sir Gerard's position.

Rediffusion Ltd. in which British Electric Traction has substantial interests. It seems therefore that Mr Harold Drayton and his companies have directly or indirectly considerable interest in the two giants among the commercial television companies.

In other chapters glimpses can be caught of connections between one or other of the supposedly independent programme companies and Mr Drayton's array of financial baronies. He has quite clear-cut political views; in his speeches to the meetings of his trusts he has explained that he is strongly opposed to such things as Treasury loans to the coal-mining industry.

But his stronghold in commercial TV is in Associated Rediffusion, and it is in the chapter dealing with that organization that his companies and colleagues are treated with care. The only purpose in bringing his name in so early in ATV is to introduce him in the context of what has seemed to be the TV company with the least tycoonery about it.

The most important industrialist in ATV is Sir Robert Renwick. His colleagues too are powerful. They include Sir C. K. F. Hague, of the Power Securities Corporation Ltd., who is the deputy chairman and managing director of the famous engineering firm of Babcock and Wilcox. Another Power Securities man is Mr E. H. Ball, again of Associated Electrical Industries, and the A.E.I.—John Thompson Nuclear Engineering Co. Ltd. Through the Kenya Power Co. Ltd. Sir Robert meets Sir John Huggins, who is on the Board of Elders & Fyffes Ltd.

The only other finance group to show a really significant number of traces with commercial TV is that headed by Viscount Cowdray. This is commonly known as the 'Pearson' group, which includes the Whitehall Securities Corporation Ltd. and S. Pearson Industries Ltd. An executive of many Pearson companies, Mr R. P. T. Gibson, is also an ATV director.

The Pearson empire includes the merchant bank of Lazards and maintains close relationships with Lazards Frères of Paris and New York. The managing director of Lazards is Viscount Hampden, who is a director of the Clerical Medical and General Life Assurance Society; so is Viscount Cilcennin, chairman of TWW Ltd.

Lazard's chairman is Lord Kindersley, who has held this

<sup>89</sup> See Associated Television Ltd., page 101.

position for thirty-one years, and who is Governor of the Royal Exchange Assurance Co., chairman of Rolls-Royce, a member of the Court of the Bank of England, and a director of the Bank of London and South America. Lazards benefited greatly from its interests in the Royal-Dutch/Shell organization, which took over Canadian Eagle Oil in which Lazards had a large holding. In 1960, Lazards acquired the merchant bank of Edward de Stein, which had always had special links with the aggressive tobacco marketing firm of Gallahers Ltd. (manufacturers of Senior Service cigarettes) and Electrical & Musical Industries Ltd.

The Pearson group numbers among the directors of its White-hall Trust Ltd. leaders of other important institutions, including Mr W. A. Acton (Bank of West Africa Ltd., Bank of London and South America Ltd., National Bank Ltd., [deputy chairman] Standard Bank of South Africa Ltd.), and Lord Poole (chairman of Acton Bolt Ltd., director of Airwork Ltd. and Lazard Bros. & Co. Ltd.).

Lord Poole, of course, is a former Chairman and later, during the 1959 General Election, Deputy Chairman of the Conservative Party. 90

On the Board of the Whitehall Trust Ltd., too, is Mr J. Macartney-Filgate, who is on the Boards of Lazards Bros. & Co. Ltd., Almin Ltd., Mexican Eagle Oil Co. Ltd., and many others. As will be seen from a glance at Mr R. P. T. Gibson's own directorships, he has obviously had delegated to him the post of invigilator over the provincial newspaper interests which are grouped in the Westminster Press Provincial Newspapers Ltd. as

<sup>90</sup> It has been reported that before the election an unprecedented amount of money was spent directly in advertising by the Conservative Party (in addition to the vast sums expended by their industrial allies). The relative positions were as follows:

Conservative Party
Poster and press advertising campaign
5 June to 8 September, 1959
Labour Party
Into Action campaign 1958–59 (mainly spent in subsidizing 'The Future Labour Offers You')
Poster Campaign, Spring 1959

22,500

103,000

a subsidiary of S. Pearson Industries Ltd. As well as this, he meets his president, Lord Iliffe, on the Board of the Birmingham Post and Mail Ltd. Lord Iliffe is chairman of the Guildhall Insurance Co. Ltd. and a director of London Assurance. There may also be financial significance in the position on the Board of S. Pearson Industries Ltd. of Mr D. L. Pollock of the Legal and General Assurance Society Ltd., Vickers Ltd. and Westminster Bank Ltd., while Lazards has Mr G. Godfrey Phillips, of the Times Publishing Co. and James A. Jobling & Co. Ltd.; Lord Brand, formerly of Lloyds Bank Ltd.; Mr P. Horsfall of English Electric Co. Ltd.; Mr G. Tyser of Phoenix Assurance Co. Ltd. and London Guarantee & Accident Co. Ltd.; and the Hon. T. H. Brand of Benskins Watford Brewery, Lloyds Bank and the Employers Liability Assurance Corporation Ltd.

This mass of detail is produced to make one point only: things are rarely what they seem to be on important company boards. ATV is no exception, and some basic financial relationships are revealed there.

Mr C. O. Stanley of Pye Ltd. is connected with another ATV director, Sir Robert Renwick, through Unidare Ltd., and with the Murphy Radio Co. through the British Relay Wireless & Television Ltd., where Pye Ltd. and Murphy Radio jointly own all 'B' Ordinary shares. Murphy Radio is also interested in commercial television through British Relay and Wireless.

There is a typical mixed-economy contradiction here. For Mr Stanley has recently been engaged in a knock-down-drag-'em-out fight with a consortium of telephone manufacturers who tried to prevent Pye buying control of the Telephone Manufacturing Co. Ltd. and so break into the 'ring' of suppliers to the Post Office.

In the leadership of the unsuccessful consortium was A.E.I., which has been mentioned, but its partners included firms worth £516 million. Mr Stanley declared 'This ganging up against us is completely unethical . . . It infringes all the principles of free enterprise.' He raised his price and announced that he controlled 46 per cent of Temco's issued capital, as against the consortium's 14 per cent.

Interestingly, although Sir Robert Renwick of ATV is an A.E.I. director, he is a partner in W. Greenwell, the stockbrokers, who handled Pye's bids for Temco.

The Financial Times commented on this:91

'However, Sir Robert was able to put my mind at rest when I spoke to him on Saturday.

"Fortunately, I have several able and experienced partners in Greenwell," he told me, "so I have just taken a back seat. And A.E.I. have quite rightly not asked my advice"... Sir Robert must be an old hand at juggling with several hats. The son of the man who built up the City of London Electric Supply Company between the wars into the largest "grid" concern in the country, he has been something of an expert in the relations between industry and the State ever since his wartime tour of duty as Controller of Communications at the Air Ministry. It would hardly be an exaggeration to say that his was the biggest single contribution to the campaign for commercial television and to the growth of the Institute of Directors into a power in the land.'

It is worth noting that, in the period March-June 1959, the Institute of Directors spent £60,000 on straightforward, antinationalization propaganda, and is believed to have inspired and have helped manage other campaigns. 92

While there may be contradictions between the financial and industrial elements on ATV's board, their political attitudes seem homogeneous enough. Yet they seem to live happily enough within that company cheek-by-jowl with the Labour-supporting Mirror-Pic Group, which supplies two directors in the persons of Mr Hugh Cudlipp and Mr Elias Birk, who is supposed by some

<sup>91 &#</sup>x27;Men and Matters': 11 July, 1960.

<sup>92 &#</sup>x27;The Sunday Times (29 May, 1959) said:

<sup>&</sup>quot;... His main interest lies in moulding relations between business and the State. During the war, while organizing the supply of electronic gear for two departments, he learnt about Whitehall from inside. Later, nationalization lost him the chairmanship of the largest electricity supply company in the country, and he returned to his profession, stock-broking, and several directorships in the electrical industry.

<sup>&#</sup>x27;But where many business people were merely disgruntled, Sir Robert spoke up as a sharp critic of nationalization. He was one of the first to back commercial television as a way of breaking a State monopoly. About the same time he became a businessman's "whip" helping to raise the strength of the Institute of Directors from a few hundred to 36,000.'

people to be linked with the Ellerman shipping interests. There is thought to be Ellerman money in Mirror-Pic, but this is an uncheckable theory.<sup>93, 94</sup>

The Mirror-Pic Group, after taking over the Amalgamated Press publishing empire, had to relinquish the Amalgamated Press holding in Southern Television at the request of the Independent Television Authority. 83

93 See Daily Mirror Newspapers Ltd., page 188.

<sup>94</sup> Lord Camrose, in a little-known 1939 pamphlet, entitled London Newspapers: Their Owners and Controllers, wrote the following:

There has been much curiosity expressed in regard to the ownership of . . . [the Mirror and Pictorial] . . . of recent years. The fact is that, as the result of the sales on the market of Lord Rothermere's holdings and those of other large owners, the shares of both companies are so widely distributed among the public that there is no control in any possible combination of large holders.

'There are in all 5,600,000 5s. Ordinary shares in the Daily Mirror Company. The largest holdings are in the names of Drummonds Branch nominees and C.O. nominees (Lloyds Bank) with 250,000 and 228,180 shares respectively. The next largest is that of F. G. Burt and Sir John Ellerman with 153,725. Mrs Evelyn Staines, c/o Coutts Nominees, has 92,672 and also owns 56,403 shares in the Sunday Pictorial Co.'

Thomas Jenkins wrote in the Sunday Express for 21 August, 1960:

'Her brother [Winifred Ellerman's], Sir John, is estimated to be worth between £50,000,000 and £100,000,000. But to the world he is a recluse who studies the natural history of rats and mice, a figure of shadows without a face. Only once since he inherited the title in 1933 from his father, the first baronet, has his photograph appeared in a newspaper. Winifred was with Sir John when their father was buried in macabre splendour. His grave was floored with golden roses. Captains of Ellerman ships from all over the world were there to pay tribute to their chief.'

<sup>95</sup> Mr Cecil H. King, chairman and Managing Director of Daily Mirror Newspapers Ltd., said of this at the 39th Annual General Meeting on 3 July, 1959:

'Your interests in Associated Television Limited are prospering. The accounts in your hands include dividends amounting to 70 per cent and a dividend of 100 per cent for the current year is anticipated.

'Included in the purchase of the Amalgamated Press was a one-third interest in Southern Television Limited. During the current year this company has been granted a licence to operate a satellite station at Dover. Since we are not allowed to hold shares in more than one commercial television company, arrangements are being made for the sale of this interest.'

Amalgamated Press Ltd. held one-third of the Southern Television shares which the Economist described on 6 December, 1958. as one of the latest Programme Companies which take advantage of what they erroneously said Mr Cecil King had called 'the licence to print money': 95 it considered that the prospective deal would give his newspaper group, 'which is not unaccustomed to licence. rather more of a good thing.' It added that this situation might give the Independent Television Authority a headache, for the ITA has to secure 'adequate competition in the provision of programmes between contractors independent of each other both as to finance and control'. The Economist also said: 'Purchase of the ordinary capital of the Amalgamated Press would give the Daily Mirror-Sunday Pictorial Group control of the largest periodical publishing house in Britain, to add to a stable that already contains the largest national daily newspaper circulation and the second largest Sunday paper, plus two periodicals of its own, two newspapers in Glasgow, and a large holding in Associated Television' and it pointed out, '... Quite a substantial slice of British periodical production would thus acquire a new master, 97 and mastery in the Mirror group is most effectively concentrated in the hands of its directors: the Mirror owns most of the ordinary shares of the Sunday Pictorial and the Sunday Pictorial most of the Mirror,' It is obvious that the amount of power placed in the hands of the Mirror group directors is now larger than that possessed by any other group of publishers in British history. 98 The odd feature of

97 They included:

Woman's Journal, Woman's Illustrated, Popular Gardening, Argosy, Children's Newspaper, The Autocar, Flight, Post Office London Directory, Stock Exchange Gazette, and such publications as Sir Winston Churchill's War Memoirs and Arthur Mee's Children's Encyclopaedia.

98 They seemed to use it. This report appeared in the *Evening Standard*, 21 September, 1959:

'I can give the news today of a highly significant private dinner which took place recently in the penthouse suite at the Dorchester.

'The dinner was given by Mr Cecil King, chairman of the *Daily Mirror* and its growing galaxy of satellite newspapers and magazines.

'His principal guest was Mr Macmillan, who made a point of being present in spite of other pressing claims on his time. The other guests were Mr Hugh Cudlipp, editorial director of the *Mirror*, and seven leading businessmen.

<sup>&</sup>lt;sup>96</sup> The Economist erred: Mr Roy Thomson said this.

its interest in ATV is that its usually dynamic influence is simply not apparent. 99

ATV provides one-third of all the networked programmes in Great Britain and projects to 67 per cent of all the adults in its London area on Saturdays and 69 per cent on Sundays. On Saturday the average viewing time is 2·1 hours, and on Sunday 2·9 hours. 100

Although I have attempted to show the powerful influences of traditional capitalist institutions within ATV, it would be ridiculous to minimize the active shaping influences of the three 'Show Business' executives—Mr Prince Littler (Chairman), 101 Mr Val Parnell (Managing Director) and Mr Lew Grade (Deputy Managing Director).

It has also been alleged that Mr Littler nearly did not get into commercial TV.

'The biggest obstacle in "the Prince's" conquering advance through show business came five years ago from the Independent Television Authority. They refused to let a group under Mr Littler's leadership move into TV.

'One reason, it seems, was the ITA's uneasiness about the power already held by the Littler clique. But their opposition soon melted, and the power spread at a prodigious rate.

'Mr King, of course, often entertains men of affairs. But I am told that this was the first time he has wined and dined a British Prime Minister in office since the days of the Attlee administration.

'I record with fascination one further fact about the dinner. It took place on Wednesday, 26 August—just two weeks before Mr Macmillan announced the date of the General Election.'

<sup>99</sup> This was written before the Mirror-Pic Group had made its successful bid for Odhams Press, which provided an opportunity for one small editorial group to control virtually all mass circulation magazine publications (143 in all) in Great Britain, as well as ownership of two competitive Sunday newspapers and two competitive daily newspapers.

100 'Media and Marketing Survey of the London TV Area' by the Pulse Ltd. Audio-Visual Selling: 22 April, 1960.

101 It has been said of the Chairman:

'Littler comes from a theatrical family—his cousins are the Shuberts, the New York impresarios—and he married a Principal Boy. He acquired his Christian name when an aunt, on first seeing the baby, exclaimed: "He's a little prince!": and his career, which began with 'For within a few months Mr Littler was happily rolling away on the TV bandwagon. His company merged with one led by Norman Collins, which *had* been approved by the ITA. Soon Mr Collins moved into the background, and Mr Littler occupied his accustomed place—as king of the castle.'102

Now Mr Littler not only has operating control of ATV but he retains the Palladium, Her Majesty's and the Theatre Royal, Drury Lane. 103 Almost all the first-class bookings outside London

'His next most important venture was to purchase the Prince of Wales Theatre, as a member of a syndicate which bought it during the depression of 1929 for £200,000: it was intended, he says, as a property deal, but it proved impossible to obtain, in those days, a profitable rent for it and he thus entered the field of theatre management... His management of the theatre was not without incident; at one time London was entertained by the spectacle of sandwich men, organized by the Musicians' Union, demanding a boycott of the theatre while a rival party organized by Mr Clore invited the public to "Come in and see the happy band". Mr Clore's interest in the entertainment industry continues; he still owns the Prince of Wales Theatre, which is now one of his property investments.'

The unsuccessful takeover bid initiated by Mr Charles Clore for the Moss Empires business had repercussions which are mentioned in the 'Men and Matters' column of the Financal Times for 30 December, 1960: 'The resignation of 66-year-old Mr Val Parnell, one-time managing director, from the Board of Moss Empires breaks one of the links in his 25-year-old business association with Mr Prince Littler. Yesterday Mr Parnell refused to comment on his resignation which was handed in ten days ago. But it is a logical enough sequel to the support he gave to the unsuccessful Cotton-Clore-Delfont bid two months ago to take over Prince Littler's Moss Empires.

'But the tough, cigar-smoking Littler and the starmaking Parnell are still closely associated on ATV which could give rise to some awkward

a family theatre in Woolwich, has been princely enough. He is a gentle, dull, middlebrow person, who breeds cattle and lives without ostentation. His interest in plays is strictly commercial and his interests outside the theatre are few.'

(Observer: 20 September, 1959)

<sup>102</sup> Evening Standard: 2 September, 1959.

<sup>103</sup> A book entitled *Theatre Ownership in Britain*, published by the Federation of Theatre Unions, identifies the Prince of Wales Theatre as being with the Moss Group! This seems to link Mr Littler with financier Mr Charles Clore, of whom Mr Goronwy Rees wrote in the *Sunday Times* (24 January, 1960) in a series entitled 'The Multi-Millionaires':

are within his organization, and through Pye Records he is firmly established in the 'pop' field. This last was an interesting deal, consummated, no doubt, through the presence on ATV's board of Pye's chairman, Mr C. O. Stanley.

# Mr Littler reported:104

"... your Company has completed an agreement to buy for a nominal consideration half of the issued share capital of Pye Records Limited, a gramophone record manufacturing company, and has undertaken to advance to Pye Records Limited up to £300,000 by way of loan. Although it is anticipated that certain initial losses will be incurred, your directors are confident that this will prove a profitable venture."

In addition to this, ATV went into partnership with ABC TV to acquire the Incorporated Television Programme Company Ltd., which owns 50 per cent of the voting equity of one of the three largest TV film distributors in the U.S.A.<sup>105</sup>

This is not the end of ATV's expansionist plans: Mr Norman Collins and Mr Leslie Knight are associated with Associated

situations. Littler is chairman and Parnell is managing director on a contract (worth at present about £65,000 a year) which still has nearly four years to run. Also on ATV with a similar contract is ATV's deputy managing director, Lew Grade, who is the elder brother of Bernard Delfont. The youngest of the show business trio of brothers is theatrical agent Les Grade. The brothers are of Russian origin—family name Winogradsky. Lew adopted Grade as his stage name and Bernard became a Delfont when he appeared in his Delfont Boy dance act.'

<sup>104</sup> An odd sidelight on the effect of advertising repetition was noted in *Audio-Visual Selling*, 9 October, 1959:

'Something which I predicted might happen—way back in the early days of ITV—is now a distinct possibility...a TV advertising jingle in the "Top Ten Pops". Ludicrous? Not so.

'Pye Records have now put out an extended-play record of four of the best-known jingles—"The Bristol Bounce" (Bristol cigarettes), "Happy Motoring" (Esso petrol), "Soft and Strong" (Kleenex Tissues), "Harry's Song" (Rael-Brook Toplin shirts)—with full lyrics printed on the back of the record cover.

'This move, state Pye, is largely at the request of the public who enjoy the jingles as much as they do a "pop".

'The title—"These Swinging Jingles", the prospects—very bright; the verdict—a good piece of sales promotion, which will add to the life of the jingle-type commercials . . .'

105 See Chapter Five.

Broadcasting Company (African) Ltd, which has submitted plans for a commercial TV service to the Government of Kenya, while Mr Collins is making indefatigable noises in favour of commercial sound radio in the United Kingdom—for which purpose the old Popular Television 'front' organization seems to have been revived. Perhaps it was in preparation for this that Mr Littler finally decided to go on the board of Radio Luxembourg?

One thing is clear: not much can stand in the way of a man who, when criticized over the purchase of the leases of the Queen's and Globe Theatres for about £500,000, said to a Stoll Corporation shareholders' meeting at the Coliseum: 'If you don't want them I will buy them myself.' 100

His deputy managing director, Mr Lew Grade, is a key operational figure of the Independent Television Corporation which provides

'opportunities for co-operation in the production and distribution of television films which will be of direct benefit to Britain and the United States, and through world-wide distribution will foster the growth and maturity of international television. London can become a second and perhaps more lasting Hollywood'. 107

<sup>106</sup> Daily Mail: 18 June, 1959. He could probably afford it quite easily. In addition to his earlier theatre profits and his TV gains, the Daily Herald reported on 26 May, 1959:

'Mr Prince Littler is chairman of Moss Empires, the company that owns the London Palladium and a string of theatres, and has a rich stake in ITV. Moss Empires has just taken over the Stoll Theatres Corporation and it has been decided that the Stoll chairman should be rewarded for loss of office.

'Who is the Stoll chairman? It is Mr Prince Littler.

'He gets £15,000 compensation—he'll pay no tax on that—and a superannuation policy on which the company has been paying £40-a-week premiums since 1952.

'Mr Littler can certainly claim that the merger has cut his income. As boss of Stoll he got £60-a-week, his £40-a-week pension insurance and 5 per cent of the profits.

'But he can hardly need the money. Television has enriched him. On the other hand the shareholders of Moss Empires have seen their shares fall, since the merger terms were announced, from 17s. to 14s. Which proves that it is better to have been born a prince than a commoner.'

<sup>107</sup> Mr Val Parnell, Managing Director of ATV, writing in ATV's Partners in the U.S.A. (This is not the only ATV-U.S. connection. A bid

Of him, Mr James Thomas wrote:108

'I thought of Mr Lew Grade of ATV, who likes Westerns. They give Mr Grade V.I.P. treatment in New York and who can blame them? For days he sits in the private theatre while the anxious Americans show him the products they hope he will buy.

'Small, rounding, bald and addicted to the kind of Havana they wrap up in cigars, Mr Grade solemnly sits there amid the necessary air-conditioning and bids pounds sterling for the gun-slingers.

"Most of them are punk, Jim boy," said Mr Grade to me. "Very ordinary. I only buy the good stuff, and if you complain about that, just console yourself and think of the stuff I don't buy."

'I think of it Lew, I think of it.

'A reasonable Western can be bought for about £200 by an ITV company, and that half-hour can pull in about £5,000-worth of commercials.

'Brother, it pays off much better than holding up a stage-coach.'

Mr Philip Purser also criticized Mr Grade in the News Chronicle of 15 October, 1960, when he reviewed A-R's(!) programme on Americanization. He wrote '... television, and ITV in particular, has contributed to this process as much as anyone.

'Indeed, when the final annexation comes and the Stars and Stripes flag is run up over Buckingham Palace, I confidently expect television boss Mr Lew Grade to be installed as U.S. High Commissioner.

'His . . . mid-Atlantic series has imposed American accents, locutions and mannerisms on scores of apparently willing British actors. Nothing pleases me more than the news that he is having a job to sell the latest batch in America.'

Mr Littler, Mr Parnell and Mr Grade are business men and very successful ones: they are allied to or supported by some of the shrewdest banking brains in the Kingdom.

'Simultaneously with ATV's expanding interests in the various fields allied to television in this country, the board has sought for the widest possible development within the Commonwealth, In addition

was made for the Irish commercial TV contract by an ATV-Pye-CBS Group.)

Daily Express: 12 September, 1959.

to interests in Australia, companies have now been registered in Canada, the Bahamas, Barbados, Jamaica, Trinidad, British Guiana, Bermuda and East Africa in readiness for anticipated developments. ATV owns Broadcasting Associates (Pty.) Limited, with extensive Australian radio and television interests. Broadcasting Associates is a substantial shareholder in many leading radio stations; is a partner in the nation-wide Australian Macquarie Network; has a substantial interest in the television station ATN (Channel 7) Sydney; and owns Artransa (Pty.) Limited, which operates the most extensive and comprehensively-equipped Australian film studios for the production of television programmes and advertisements. ATV has extended its Australian interests by securing a holding in one of the two television stations authorized for Brisbane, and in one of the two stations authorized for Adelaide.

This is truly an aggressive growth. And there is a great deal to be said for the view that the public interest would be better served if so many outlets of information were not cemented together into one immensely profitable enterprise dominated by a few men capable of influencing other management committees and, through them, many millions of their fellow citizens.

A producer of a serious though high-TAM-rated programme is said to have asked a top ATV manager for another assignment to broaden himself.

'I can do other things besides culture,' he said, 'Give me a change, let me do a leg show.'

'Culture?' said the executive. 'Culture? You know the rating. You ain't got culture. You got success.'

109 'ATV's Partners in the USA.'

# Chapter Four

### GRANADA TV NETWORK LIMITED

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#### Other Directorships

SIDNEY L. BERNSTEIN

Variety Theatres Consolidated Ltd. George Humphries & Co. Ltd. Independent Television News Ltd. Transatlantic Pictures Corporation Ltd.

Bedford Land Co. Ltd. Granada Group Ltd.

Denman (London) Cinemas The Slough Theatre Co. Ltd. Production Holdings Ltd.

A.G.T. Ltd.

Capricorn Corporation Ltd.

John D. Forman

JOSEPH WARTON

Granada Group Ltd. Granada (Bedford) Ltd.

RICHARD J. WILLDER

Alder Ltd.

Granada Group Ltd.

The Slough Theatre Co. Ltd.

CECIL G. BERNSTEIN

Irish Linen & Hosiery Association Mole-Richardson (England) Ltd. George Humphries & Co. Ltd. Variety Theatres Consolidated Ltd.

Granada Group A.G.T. Ltd.

Denman (London) Cinemas Production Holdings Ltd. The Slough Theatre Co. Ltd.

Granada (Bedford) Ltd.

Maurice King

Sado & King

Straudley Investments Ltd.
Whittaker (Requirements) Ltd.
Wine Agencies (London) Ltd.

Withland Securities Ltd.

### GRANADA TV NETWORK LIMITED-continued

Directors

Other Directorships

Maurice King-cont. Granada Group Ltd.

Callow & Cook Ltd.

Newmarket Properties Ltd.

Victuallers Ltd.

VICTOR A. PEERS

Capricorn Corporation Ltd.
Independent Television News Ltd.

JOHN STEWART ELLERMAN TODD

Granada Group Ltd.

Commissioner of Public Works Loan Board

M.L. Holdings Ltd,

#### GRANADA TV NETWORK LIMITED

#### PROFITS\*

Capital (£100,000) owned by Granada Group Ltd.

Trading Profit Income from Investments, etc.	1958 £ 883,693 3,118	1959 £ 1,871,620 4,829
Total Profit	886,811	1,876,449
Depreciation Directors Staff Superannuation Fund Interest Tax	156,915 350 12,136 18,314 350,000	221,350 350 13,063 — 840,000
Net Profit	349,096	801,686
Dividends Retained	143,750 205,346	459,375 3 <b>52,3</b> 11

<sup>\*</sup> Financial year ends 30 April.

# OWNERSHIP OF THE GRANADA GROUP LIMITED\*

## Directors Sidney L. Bernstein

Cecil G. Bernstein Maurice King Richard J. Hillder Joseph Warton J. S. E. Todd

Directors' Emoluments: £36,666

## At 26 September, 1959

	£
	1,409,686
	1,400,472
	369,899
£88,289	
465,321	-377,032
	2,803,025
	, -

### Holders of Ordinary Shares

A.G.T. Ltd., c/o J. H. S. Howard, Esq., 78 South Audley St.	94,000
Barclays Nominees (Branches)	34,440
Sidney Bernstein (transferred 75,000, 23/10/59)	81,805
Cecil Bernstein	55,346
Max A. Bernstein	30,292
Alex Bernstein	16,144

Mrs Myra E. Bernstein

Mrs Maud Whiteley

Mrs Joyce B. Kemble

John H. S. Howard, Five Trees, Craigwell on Sea, Bognor Regis 15,000

Mrs Sandra Bernstein

Richard Stone

J. H. S. Howard, Coppings Farm, Leigh, Kent	15,000
Bovis Holdings	7,058
Branch Nominees, 16 Bishopsgate	54,361

<sup>\* 1960</sup> return.

# OWNERSHIP OF THE GRANADA GROUP LIMITED-cont.

# Holders of Ordinary Shares-cont.

Wm. R. Carr Joseph Warton Victor A. Peer 115 Leadenhall Street	60,324
Control Nominees 41 Lothbury Mrs Edith M. Fiedman	8,400 21,000
John H. S. Howard Joseph E. Stone 78 South Audley Street	15,540
John H. S. Howard Joseph Whitely 78 South Audley Street	62,500
David King Cecil Bernstein 99 Eyre Court, St. Johns Wood	7,245
David King Percy Motineaux Jas. Whiteley Mrs Nita King 99 Eyre Court, St. Johns Wood	19,845
Jack Koski Bernard Leigh Mrs Florena K. A. Oldham, Beaconsfield	2,940 20,995 26,896
Victor A. Peers Cecil Bernstein Wm. R. Carr 5 Normanton Road, Croydon	93,150
Philip J. Terry Wm. R. Carr Jos. Warton 115 Leadenhall Street	25,000
Jos. E. Stone Stanley Lambert Wm. R. Carr 115 Finchley Road	60,000
Jos. Warton Cecil Bernstein Wm. R. Carr Chiltern Road, Sutton	60,000

# OWNERSHIP OF THE GRANADA GROUP LIMITED- cont.

# Holders of Ordinary Shares-cont.

Jos. Warton John H. S. Howard Alex Bernstein Wm. Morton 54 Chiltern Road, Sutton	18,978
Wm. F. Watson Bognor Jos. Whiteley John J. S. Howard Edwin Wade St. Johns Wold	38,492 62,500
Richard J. Willder (sold 9,000 23/10/59) Abraham Wix Michael Wix	25,000 11,812 11,812
Holders of 'A' Ordinary Shares Sidney Bernstein Coppings Farm, Leigh, Kent (sold 6,205, 2/6/59; 19,715, 2/6/59; 2,250, 23/10/59; 60,000, 13/11/59).	69,635
Mrs Myra Bernstein Coppings Farm Cecil Bernstein Five Trees, Craigwell on Sea, Bognor Regis Albert Bernstein (sold 35,682 in 1959)	15,040 34,664 5,677

# What's the Difference? The Granada TV Network

'While ATV is an oligarchy and A-R a naval bureaucracy, Granada—which broadcasts from Manchester on weekdays—is a benevolent despotism. The despot is the celebrated Socialist cinema millionaire, Sidney Bernstein, the Mr Culture of TV.'

Observer

"I like the Carpenter best—if hedidn't eat so many as the Walrus" [said Alice].

"But he ate as many as he could get," said Tweedledum.

'This was a puzzler.'

Through the Looking-Glass

'Granadaland,' says the company, has more ITV homes than any other region, more ITV-viewing housewives and children, more ITV-viewing teenagers, more than 30 per cent of Britain's retail outlets, nine million viewers—and they spend more than 30 per cent of Britain's national personal income. Granada is now one of the 'Big Four', after a struggle to get into the privileged circle.

Who owns Granada TV? Who controls it? The answer here is simple: the Bernstein brothers. But this is not the end of the story. Someone close to the Granada TV operation told me 'they went into it on a wing and a prayer.'

This had its dangers in the early days when large sums had to be expended before the advertising revenues swelled into the present golden flood. Granada seems to have got into difficulties at that time, and came to terms with the ubiquitous Mr Harold Drayton's Associated-Rediffusion. Details of these arrangements, which have been described to me as 'virtually a lien on their profits,' have never been disclosed.

At the Annual General Meeting of the Granada Group, on 30 January, 1959, Mr Sidney Bernstein said, guardedly:

'You, I'm sure, will want me to say something about the programme arrangement. It is a working arrangement with another programme contractor for the exchange of programmes and networking. It was made in 1956 when we went on the air and protected our television subsidiary from heavy losses. We think the agreement was in the best interest of the Company and in the best interest of Independent Television. In my report, I told you that the agreement is terminable in 1960, and it will be for us, at the time, to decide whether we do so or not. We may wish it to continue. I can't say. It will depend on conditions at the time. If we do terminate, obviously it will be because we think it will be to our advantage.'

In a comment on the 1959 profits of the Granada group, one City Editor<sup>110</sup> surmized:

'With these champagne-looking profits how Mr Bernstein must regret making a pact with rivals Associated-Rediffusion.

'Under that pact, which ends next July, Granada's profit-making is shared with A-R.

'For details of this pact on programming have never been revealed but a boost in Granada profits is forecast by the company when the pact ends.'

All that Granada said on this later in 1959 was in Chairman Bernstein's Annual Report:

'On 19 October, 1959, we announced that the agreement with another programme contractor for the networking of programmes would be terminated on the 29 July of this year. I do not intend to make any forecast of the Company's results after that date, particularly in view of the many uncertainties and the ever-increasing costs of operation. Nevertheless, as we said at the time, it is expected that the termination of the agreement will have a beneficial effect on the results of the Group from that date.'

Oddly enough, when the abbreviated Report was published in the Observer, this wording became much more concrete:

'Negotiations for a new agreement for the networking of programmes after July 1960 to replace an existing one, have now reached an advanced stage and, when completed, should show a very substantial benefit to the Group.'

<sup>110</sup> Daily Express: 5 December, 1959.

During the year, profits went up by £998,000 to £2,108,000; Mr Sidney Bernstein declared a dividend of 80 per cent (plus 10 per cent to celebrate Granada's twenty-five years in business). This compares with 5 per cent in each of the past nine years.

As the Daily Express said, 'Whoosh go the profits. . . .'111

The Granada TV Network Ltd. subsidiary provides most of the additional revenue to the Granada Group Ltd. But there is the cinema chain, the 'Miss Candy Shop' business, Granada Cafés and the Kinematograph Equipment Company. As well as this, the Group has bought a controlling interest in an 'electrical manufacture and wholesale business' and a 'number of small relay and television sales and hire businesses'.

Both Bernstein brothers are also directors of the George Humphries Co. Ltd., which was a private company first registered on 31 June, 1942, for the purpose of developing and printing films made by the 'Motion Picture Industry', and it became a public company on 14 July, 1957. Sir Arthur W. Jarratt is the chairman and managing director of George Humphries & Co. Ltd.<sup>112</sup>

According to the *Directory of Directors*, 1958, he is also a director of British Lion Film Productions Ltd., British Lion Films Ltd. (managing director) and the British Lion Studio Co. Ltd. The chairman of the British Lion Studio Co. Ltd. is Mr Harold C.

<sup>111</sup> A-R could feel that it had done very well by now. The *Economist* said, 30 July, 1960:

This week has witnessed the end of Associated-Rediffusion's networking agreement with Granada under which substantial sums were received from Granada for various programmes supplied by Associated-Rediffusion. But it has already been said that the loss of these receipts should at least be made good from other sources. Associated-Rediffusion's profits for the year to the end of April show a further increase from £7,133,948 to £7,849,198; while the tax charge is still a heavy one at £4,190,541, it is nevertheless lower than that of £4,344,364 in the previous year, so that net profits have risen from £2,789,584 to £3,658,657. The total dividend payment has been raised from the equivalent of  $20\frac{1}{7}$  per cent to 25 per cent, payable largely to British Electric Traction [see Chapter Two, page 56] which has a 50 per cent interest and to Rediffusion, with its  $37\frac{1}{2}$  per cent stake. The results reflect a further substantial advance in advertising revenue; this so far shows no sign of declining.'

<sup>112</sup> Mr Paul Adorian, managing director of Associated-Rediffusion, has now become chairman of the company, and there have been certain other changes, too.

Drayton. One of his key lieutenants, Mr P. L. Fleming, of British Electric Traction, sits on the George Humphries' Board, as does Mr Paul Adorian, the managing director of Associated-Rediffusion. George Humphries & Co. Ltd. own 75 per cent of the issued capital of Mole-Richardson (England) Ltd., which manufactures studio lighting equipment. Mr Cecil G. Bernstein is still a director of this company. The parent organization has had a remarkable record of success. It provided a dividend of 50 per cent for the years 1947-50 on an issued capital of £150,000 in shares of 50s. fully paid. In 1950-54 the dividend was 25 per cent, which rose to  $27\frac{1}{2}$  per cent in 1956-57. This seems to reflect most of Granada's outside links.

Now, to return to the point of who owns Granada: in Mr Bernstein's words:

'I would like to assure you that there have been few changes in the shareholding since the Company was formed twenty-four years ago, and, in order to see the events I have described in their proper proportion, you should know that, to the best of our knowledge, the total number of new Ordinary Shareholders is 78, representing about 2.5 per cent of the issued Ordinary share capital. Our original shareholders have been loyal; they have trusted us.'113, 114

He had earlier said, in counter-attacking what seemed to be a takeover bid by Investment Registry (acting for clients), that 75 per cent of the Ordinary shares were held by the 'Directors, their families and friends'.

But the Granada Group Ltd. is a company in which individual shareholdings are difficult to analyse. Nevertheless, as remarked, ownership and control are obviously firmly welded together and held by the Bernstein family.

How much does this affect the programmes? Does Mr Bernstein's sympathy for the Labour Party influence his company's policies?

<sup>113</sup> Annual General Meeting Statement, reprinted in the Observer: 1 February, 1959.

114 The shareholders have done very well out of it. Granada TV said in the autumn of 1959 that they were increasing their charges to advertisers to £1,220 per minute for the period between 7.25 p.m. and 10.35 p.m. (the old rate from 7.25 p.m. to 10 p.m. used to be £1,015 per minute and that between 10 p.m. and 10.35 p.m. was only £630 per minute).

The Observer does not think so. An anonymous feature writer commented on this waspishly:

'... in spite of all the Bernstein build-up, which is the envy of the other networks—the Press conferences, the prestige advertisements, the early schemes for Ed Murrow's and High Drama—the Granada programmes have somehow ended up being much like anyone else's, though certainly better. To the tyranny of the Ratings has been added the extra tyranny of The Boss—alternately capricious, kind, ruthless, imaginative, dilettante, and always profoundly egotistic.'115

This, in my view, must remain the verdict. Granada TV seems to be almost as much an example of one-man rule of a critically important mass-communications outlet as that of Mr Roy Thomson in Scottish TV.

It can hardly be good for the democratic process although, in fairness, this company has been marginally better in the production of quality programmes than certain others. The question is: should this affect one's attitude towards it and its controllers?

<sup>&</sup>lt;sup>115</sup> 20 September, 1959.

# Chapter Five

#### ABC TELEVISION LIMITED

#### Directors

Other Directorships

#### SIR PHILIP ALLAN WARTER

Associated British Picture Corporation Ltd. (chairman) British & Foreign Wharf Co. Ltd. (chairman) British Transport Commission (part-time) Cambridge Holdings Ltd. Clarks Cereal Products Ltd. (managing) Elite Picture Theatre (Nottingham) Ltd. Enfield Cables Ltd. Harrison Wharf Ltd. Companies Investment Trust Ltd. Gravesend Majestic Theatres Co. Ltd. Hull City & Suburban Cinemas Ltd. New Theatre (Cambridge) Ltd. Playhouse (Dewsbury) Ltd. Uxbridge Picture Playhouse Ltd. Windsor Playhouse Ltd. St James Bonded Warehouse Ltd.

# DR ERIC GEORGE MOLYNEUX FLETCHER, M.P.

Associated British Picture Corporation Ltd.
Albert Embankment Estates Ltd.
Derrick Estates Ltd.
Independent Television News Ltd.
Joseph Freeman Sons & Co. Ltd.
Stunzi Silks Ltd.
Veneercraft Ltd.
Warner Bros. Pictures Ltd.
International Television Services

## Cleo Jesse Latta (U.S.A.)

Associated British Picture Corporation Ltd. Cambridge Holdings Ltd.

# ABC TELEVISION LIMITED—continued Directors Other Directorships

CLEO JESSE LATTA (U.S.A.)-cont.

Elite Picture Theatre (Nottingham) Ltd. Gravesend Majestic Theatres Co. Ltd. Hull City & Suburban Cinemas Ltd. New Theatre (Cambridge) Ltd. Playhouse (Dewsbury) Ltd. Uxbridge Picture Playhouse Ltd. Windsor Playhouse Ltd.

#### ROBERT CLARK

Associated British Picture Corporation Ltd. Blackwood Hodge Ltd. Equity Credit Co. Ltd. Kelburne Properties Ltd. Caledonian Associated Cinemas Ltd. Caledonian Broadcasting Services Ltd. Cambridge Holdings Ltd. Elite Picture Theatre (Nottingham) Ltd. Gravesend Majestic Theatres Co. Ltd. Hull City & Suburban Cinemas Ltd. New Theatre (Cambridge) Ltd. Windsor Playhouse Ltd. City Property Investment Trust Corporation Ltd. Equity Trust (Victoria) Ltd. The Fort William Playhouse Ltd. The Fraserburgh Picture House Ltd. Glenifer Finance Corporation Ltd. Glenifer Properties Ltd. Highland Equipments Ltd. Langholm Investment Trust Ltd. Linway Trust Ltd. International Contracts Ltd. The Palace Cinema Ltd. Palace (Rosyth) Ltd. The Playhouse (Dewsbury) Ltd. Ritz (Rothesay) Ltd.

### ARC TELEVISION LIMITED-continued

Directors

Other Directorships

ROBERT CLARK-cont.

Scottish Central Cinemas Ltd.
The Stock Conversion & Investment Trust

Ltd.

Underwood Investments Ltd.
Uxbridge Picture Playhouse Ltd.
William Lang Jr. & Co. Ltd.

William Lang Jr. & Co. (Stonehaven) Ltd.

DAVID JOHN GOODLATTE

Associated British Picture Corporation Ltd. Elite Picture Theatre (Nottingham) Ltd. Gravesend Majestic Theatres Co. Ltd. Hull City & Suburban Cinemas Ltd. New Theatre (Cambridge) Ltd. Playhouse (Dewsbury) Ltd. Uxbridge Picture Playhouse Ltd. Windsor Playhouse Ltd.

HOWARD THOMAS

Alpha Television Ltd. (Birmingham) Ltd.
Alpha Television Services (Birmingham)
Ltd.

Alpha Television Services (London) Ltd. Independent Television News Ltd. International Television Services Ltd.

Iris Productions Ltd.

WILFRED CARTLIGE (Resigned 7/10/59)

Associated British Cinema Ltd.

Alfred Cooper

#### ABC TELEVISION LIMITED

#### OWNERSHIP\* AND PROFITS

Capital owned by the Associated British Picture Corporation Ltd.

Profits+

Trading Profit Interest	1958 £ 2,517,166 58,317	1959 € 3,069,347 118,266
Total Profit	2,575,483	3,187,613
Depreciation Directors Auditors Debenture Interest Tax	130,222 17,281 2,500 25,000 1,035,000	164,551 18,655 3,000 25,000 1,465,000
Net Profit	1,365,480	1,511,407
Dividend Retained	1,354,700 10,780	1,470,000 41,407

<sup>\*</sup> As at 15 July, 1959.

# ASSOCIATED BRITISH PICTURE CORPORATION LIMITED

(Owners of ABC Television Ltd.)

Directors

Other Directorships

SIR PHILIP ALLAN WARTER

(See ABC Television Ltd., page 158)

Dr Eric George Molyneux Fletcher, m.p.

(See ABC Television Ltd., page 158)

Cleo Jesse Latta (U.S.A.)

(See ABC Television Ltd., page 158)

ROBERT CLARK

(See ABC Television Ltd., page 158)

DAVID JOHN GOODLATTE

(See ABC Television Ltd., page 158)

<sup>†</sup> Financial year ends 31 March.

# Colourless, Rich, American: ABC Television

'You know what has beaten us tonight? "Rawhide".'

IAN MIKARDO to the author at General Election Count in the Reading Parliamentary Constituency, October 1959

ABC TELEVISION is the smallest of the 'Big Four'. It is a wholly owned subsidiary of the Associated British Picture Corporation which manages over 350 cinemas in the United Kingdom through Associated British Cinemas Ltd. The parent company is partly owned by Warner Brothers Pictures of the U.S.A.

The situation was once marginally different. The Birmingham Post and Mail Ltd. held 10,000 shares but sold them in 1957, as did the Birmingham Despatch and Mercury and the Bradford and District Newspapers companies. Associated British Picture Corporation now owns 499,992 of the 500,000 issued £1 shares.

One of the ABC Television directors, Dr Eric Fletcher, M.P. (Labour, Islington East), is also a director of Warner Bros. Pictures Ltd. The chairman of ABC TV, Sir Philip Warter, has had written of him: 118

'Sir Philip is one of the most impressive men in the Medium. Tall, lean and handsome, he came into 400 cinemas by marrying the boss's daughter, and keeps up the appearance of moving in big business reluctantly. His main interest is probably the Southern Region, of which he is chairman, where he is keen on the electrification of the Margate line. He also still runs a large wharf company and his cinema chain. He lives in Belgravia and Suffolk, out of range of his own TV shows.'

He is chairman of Associated British Picture Corporation, chairman of the Southern Area Board of the nationalized British railways, and a director of Enfield Cables Ltd. A fellow-director there is Sir Edwin Herbert of William Deacon's Bank (already

116 Observer: 20 September, 1959.

Sir Philip Warter is a member of the Carlton Club, was Director of Warehousing at the Ministry of Food in 1940, and Controller of General Factory and Storage Premises, 1942–45.

mentioned in connection with Associated-Rediffusion) who was chairman of the Committee of Enquiry into the nationalized electricity industry and is now chairman of the Royal Commission on Local Government in Greater London. Sir Edwin is a director of the major commercial television contractor, Associated-Rediffusion Ltd.

ABC is different from the other companies in the 'Big Four' because it has a large direct American stake in it. But it nevertheless maintains firm and distinct lines of communication with the traditional centres of strength in the British economy.

It was mentioned in the chapter on ATV that there was now a joint company with ABC named Alpha Television Services (Birmingham) Ltd., to co-ordinate some of their Birmingham enterprises. This is not the only connection with ATV or the Americans. It was announced in July 1959 that a new ATV/ABC venture had commenced, International Television Services under the chairmanship of Dr Eric Fletcher, M.P., vice chairman of ABC Television and with Mr Val Parnell, managing director of ATV, Mr Norman Collins, deputy chairman ATV, and Mr Howard Thomas, managing director of ABC Television as directors. This company no doubt still has its connections with ATV's Anglo-American production and marketing enterprise, the Independent Television Corporation of America, of which Mr Val Parnell made this comment early in 1959:

'Television has broken through national boundaries and is now the recognized popular world medium. It is because of this fact that ATV has staked a major claim in the field of American TV filmmaking and distribution.'

#### He went on to say:

'... it should not be forgotten, however, that the steadily mounting prosperity of ATV would not have been possible if, in the critical and formative period, it had not been for the management and programmes provided to the Company by the Incorporated Television Programme Co. Ltd. (ITP), which represented many of the most prominent personalities in the field of entertainment.

'The increasingly close integration of ATV and ITP in so many of their activities led the board of ATV to seek the means of fusing the interests of the two companies by ATV's acquiring ITP as a totallyowned subsidiary. ITP had throughout acted not only as a packager of live shows such as "Sunday Night at the London Palladium", but also as the producer or distributor of a large number of half-hour television film series: "The Adventures of Robin Hood", "O.S.S. (Office of Strategic Services)", "The Scarlet Pimpernel", "The Buccaneers", "The Adventures of Charlie Chan", "Hawkeye and the Last of the Mohicans", "The Count of Monte Cristo", "Sword of Freedom", "The Adventures of Sir Lancelot", "The Theatre Royal" series, "The Invisible Man" and "The Adventures of William Tell"."

#### he continued:

'Through these series, ITP developed the principle of Anglo-American production and distribution, serving the two biggest markets in the English-speaking world. Co-operation between Britain and the United States in the production and distribution of films for television offers outstanding benefits to the peoples of both countries. ITP had already recognized this fact, and at the instigation of Mr Michael Nidorf, who for the past three years has been representing ITP's interests in the U.S.A., had been exploring the possibilities of still further Anglo-American TV film production and distribution both here and in the United States. When ATV acquired ITP, the board of ATV cordially endorsed ITP's action. In consequence, ATV now holds (through ITP) a 50 per cent interest in the rapidly growing Independent Television Corporation of America.

'ATV, through ITP, has much to contribute to its partnership in ITC. ATV has always recognized the importance of participating to the utmost in all allied fields. It holds a substantial interest in British Relay Wireless and Television Ltd., which operates television and radio relay services in London and many other urban areas, as well as a television and radio rental service. ATV also has a substantial interest in Pye Records Ltd., the records division of Pye Ltd. who issue British and American popular, jazz and classical discs under the Pye and other labels.'

The members of the ITC board are Jack Wrather (chairman), Michael Nidorf (vice chairman), the Earl of Bessborough, Comdr. J. A. L. Drummond, Mr Lew Grade, Mr Prince Littler, Mr Val Parnell, Mr Monte Livingston, Mr John L. Loeb, Mr Clifford Michel, Mr William Shay and Mr Walter Walz. What

is clear is that ITC intends to provide even greater stimulus and organizational co-ordination for the introduction of American and American-type programmes. In this it would be led by its chairman, whom the American TV Age described, on 12 June, 1959, as: 'Oil-man, station-man, owner of several highly rated properties.' It also said that in forming the 'multi-million dollar television company' his organization (J.W.O.) was not only in association with ATV but also with Carl M. Loeb and Rhoades & Co.

It went on, by September 1958, to acquire all the assets and subsidiaries of Television Programmes of America for a reported \$11.35 million.

Television Age reports:

"... After that one move the company found itself with the following properties: "Susie" (re-runs of "Private Secretary"), "The Adventures of Tugboat Annie", The New Adventures of Charlie Chan", "Hawkeye and the Last of the Mohicans", "Feature Anthology", "The Count of Monte Cristo", "Ramar of the Jungle", "Stage 7", "The Halls of Ivy", "Mystery is My Business", "New York Confidential", "Cannonball" and "Fury".

'Also involved in the sale were distribution rights to "Jeff's Collie" (re-runs of the "Lassie" series, owned by the Wrather organization), and foreign distribution rights to "Lassie", "Sergeant Preston of the Yukon" and "Lone Ranger", which are also owned by the Wrather company

"The \$25 million firm had only begun moving, however. It then purchased "The Gale Storm Show" from Hal Roach Studios for \$2 million. Sponsored on CBS for the third consecutive year, the show consists of 111 half-hours, including the current series being produced by Roach. At the same time, the company began developing several new programmes. These, aimed for national sale, include "The Four Just Men" (based on the Edgar Wallace novels), "The Adventures of Tom Swift" (a space-age version of the classic) and "Interpol Calling" (a drama of the international police force), which will be produced by the J. Arthur Rank Organization of London with a production budget of \$1.4 million.

'Next, ITC agreed to distribute the Saturday Evening Post's "Best of the Post" series. Robert J. Enders produced eighteen half-hours of the series, and, under terms of the deal between Mr Enders and ITC, the rest of the thirty-nine episodes are being filmed.'

Television Age then goes on to make the most significant point of all:

'... This works out to a cool twenty-two programmes, and somehow doesn't even begin to tell the story. For one thing, ITC's over-all foreign aspirations probably dwarf any yet envisaged by other film distributors. Its overseas tie-ups are in a sense unique—it is the only U.S. film distributor that can guarantee distribution in England, where a 14 per cent quota has forced American companies into a disadvantageous competitive position . . . ';

and it quotes Mr Walter Kingsley, the General Manager of the Company, as saying:

'With ATV guaranteeing to buy properties produced by ITC, the company has the best opportunity to sell internationally . . . We are looking to the day when we will be doing 40 per cent of our business outside the United States. This may happen in four, possibly five, years from now.'

The only actively political person on the ABC board is Dr Fletcher, who seems to keep a position which is right of centre within the Labour Party. In the North London Press of 23 October, 1959, he is reported as saying, whilst addressing supporters at his General Election victory party at Islington Town Hall,

'... Douglas Jay's diagnosis is absolutely correct. I am convinced that talk of nationalization lost us the election more than any other factor. My experience in canvassing was that 10 per cent of the electorate who would otherwise have voted Labour refused to do so because of nationalization—and many who did vote Labour were very lukewarm about nationalization.'

ABC is an important company and it points out that it sells to three big consumer markets—i.e. Lancashire, Yorkshire and the Midlands. It seems fairly clear that this is a fast and growing audience. ABC announced early in 1959, in a full-page advertisement in *The Times*, that during the preceding year over 600,000 new ITV sets had come into use within its catchment area, and estimated that by July 1959, it would have reached 12,400,000 viewers; it claimed that in 1958 this 'audience spent over half as much again on high priced consumer items as non-ITV-viewers in

Lancashire, Yorkshire and the Midlands. Proof that ABC viewers are freer spenders in these areas....'

Mr Robert J. Edwards attacked the basis of the ABC contract in a general onslaught on 5 April, 1960:117

'Thus the Associated-Rediffusion Company has a monopoly of the g.eat London area audience during the week.

'At weekends that audience is handed over to the Associated Television Company.

'In the North the Granada Company has the sole monopoly of catering for the weekday audience; and at weekends this privilege is accorded to the ABC Company.

'The same carve-up applies throughout the land.'

Sir Philip Warter explained what this meant to his company at the ABPC Annual General Meeting in 1959. He noted that trading results were a record and the Board was therefore proposing a final dividend of 40 per cent, less tax, making a total of 60 per cent, less tax, for the year. He added:118

'The various sections of the business are so inter-dependent that it has never been thought advisable to publish a breakdown of the trading profit, but because of the rapid and successful growth of ABC Television Ltd. and the uncertainty in some quarters about the future of the cinema industry in the face of television competition, we have thought that stock-holders would wish to know that in the year under review £3,050,6920 f the trading profits of the Group were contributed by television and £2,384,030 came from the Production, Distribution and Cinema Exhibition side.'

This is the story of ABC TV: although it was rumoured that the American owners wanted to sell out. Of course, it may not have been Warner Bros. which Mr Robert J. Edwards meant in this note:<sup>119</sup>

'So bountiful is the TV gold-mine that the haul is not confined to Britain. Foreigners are getting a nice cut too. One American company is privately offering at this moment its interests in one of the British TV companies for 20,000,000 dollars. That shows the kind

<sup>&</sup>lt;sup>117</sup> Daily Express.

<sup>118</sup> New Statesman: 22 August, 1959.

<sup>113</sup> Sunday Express: 3 April, 1960.

of money that is being coined. Seldom, if ever, has such a gift been made by any Government.'

ABC has a colourless company structure. It has important Britons on its board, such as Mr Robert Clarke, who is involved in a number of property companies through the Stock Conversion and Investment Trust Ltd., of which he is chairman. This Trust was originally formed to protect interests in the London, Midland and Scottish Railway Co. and in the London, Midland and Scottish Stock Conversion Trust, which, as from June 1948, received British National Transport 3 per cent Guarantee Stock dated 1978-88 for its holding of ordinary stock in the L.M.S. Railway Co. It now owns all the capital of Amalgamated W. E. Development & Property Trust Ltd., 663 per cent of the capital of Gleniffer Finance Corporation Ltd. (which owns City Property Investment Trust Corporation Ltd.), and a considerable interest in Linway Ltd.

Amongst these facts the one which is of outstanding interest for this country is the powerful American owner-influence in this programme company operating near the industrial heart of Britain.

# Chapter Six

# SCOTTISH TELEVISION LIMITED

Directors	Other Directorships	
Roy Thomson	Scotsman Publications Ltd.	
(Chairman)	Thomson British Publications Ltd.	
, ,	Thomson Co. Ltd. (Toronto) (chairman)	
JAMES M. COLTART	Scotsman Publications Ltd. (managing)	
	Highland Newspapers Ltd.	
	Independent Television News Ltd.	
	Northern Chronicle Ltd.	
	South Wales Voice Ltd.	
LORD BALFOUR OF INCHR	YE	
	Consolidated Mines Selection Co. Ltd.	
	British Empire League (chairman)	
	British European Airways Corporation	
Charles N. McQueen	N Howard & Wyndham Ltd.	
(Edinburgh Stockbroker	) Design & Industrial Styling Co. Ltd.	
	General Poster & Publicity Co. Ltd.	
	London Theatrical Productions Ltd.	
	Scottish Equitable Life Assurance Society	
	Scottish Nigerian Mortgage & Trust Co. Ltd.	
	Teneb Ltd.	
Iain Stewart	Babcock & Wilcox	
	Thermotank group of companies	
	Acoustical Investigations & Research	
	Organization Ltd.	
	Arnoplast Ltd. (chairman)	
	Brown Bros. & Co. Ltd. (deputy chairman)	
	Clyde Confections Ltd.	
	Design & Industrial Styling Co. Ltd.	
	Eagle Star Insurance Co. Ltd. (main board)	
	Edinburgh Investment Trust Ltd.	

chairman)

Glenfield & Kennedy Holdings Ltd. (vice-

#### SCOTTISH TELEVISION LIMITED—continued

Director

Other Directorships

IAIN STEWART-cont.

Lumenated Ceilings Ltd. (chairman)

Lyle Shipping Co. Ltd.

National Bank of Scotland Ltd. Sound Control Ltd. (chairman)

#### HOWARD AND WYNDHAM LIMITED

Directors

Other Directorships

PRINCE LITTLER

(See Associated Television Ltd., page 101)

STEWART CRUIKSHANK

(See Moss Empires Ltd., page 115)

GRANVILLE HEILBRON, J.P.

W. H. Chaplin & Co. (Scotland) Ltd. (chairman)

JOHN EDWARD BEAUMONT Theatre & Opera House, Leeds Ltd.

(managing)

Grand Theatre, Leeds 1

London & Lancashire Insurance Co. Ltd.

(local director)

Sheffield Lyceum Theatre Ltd. (managing)

P. J. P. DONALD

(See Stoll Theatres Corporation. Also mis-

cellaneous cinema and theatrical companies)

CHARLES N. McQUEEN (See Scottish Television Ltd., page 101)

# Canadians, Commerce and a Kind of Christian: Scottish Television

'I make a dollar for you, you make a dollar for me . . .'

MR ROY THOMSON

'TV has made my three-year-old son a very good speaker. Although his words are limited he comes out with names and sayings such as "Matt Dillon", "Maverick", and "Half-a-gun, will travel".'

Letter in Glasgow Daily Record

Mr Roy Thomson delivered the following dictum to the last Annual General Meeting of Thomson Newspapers Ltd, 120

'... I have often said that newspapers—and now television—are not to me means to personal power, or instruments of propaganda, but a business. It is as a businessman that I approach the whole problem of their administration. By their very nature, newspapers must mirror the image of the people whom they serve; and if this mirror is distorted, and not faithfully reflecting, in the long run it will prove to be bad business....'

This statement is curiously at odds with the Moral Rearmament propaganda which has, for some time, been noticeable in the Scottish Television programmes, which now enter over 700,000<sup>121</sup> homes, housing two million Scots. This has been credited to the influence of Mr James M. Coltart, managing director of Scotsman Publications, and of Scottish Television Ltd., who, it was announced on 22 August, 1959, had also been made a director of Thomson Newspapers Ltd., following Mr Roy Thomson's acquisition and rendering of Kemsley Newspapers Ltd.

In discussing Moral Rearmament in the New Statesman, 122 Mr Tom Driberg, M.P., said:

<sup>120 2</sup> June, 1960.

<sup>121 716,000</sup> at the end of January 1960. (Average daily home viewing time is five hours.)

<sup>122 4</sup> June, 1960.

'... Its most active British convert at this time is probably Mr James Coltart—and Mr Coltart is well placed indeed to further MRA's aims, for he is the right-hand man of Britain's great new press and television magnate, Mr Roy Thomson. As such, and as managing director of Thomson Newspapers, he can influence the policy and content of such important newspapers as the Scotsman, and of the programmes broadcast by Scottish Television (STV).

'There is no doubt that Mr Coltart is doing his utmost to exercise this influence, and that for such an end he would not hesitate, if he were guided to do so, to interfere with what would be regarded on most serious newspapers as the normal discretion of the editorial and advertising staff. There can be no other interpretation of a remarkable speech made by him on 17 April, 1960, at an MRA conference at Caux, as reported in the *Scotsman* (it may be assumed, accurately):

"Mr Coltart pledged himself to re-orientate the thinking of Great Britain and to root out evil ruthlessly in every quarter. He said he had determined to reach every member of the Cabinet, every trade unionist, the directors of televison, radio and the press in his country...

"Mr Coltart . . . told how last October he had received a full-page advertisement from East Germany undermining the forthcoming visit of Chancellor Adenauer to Great Britain.

"'I could not stand for it,' Mr Coltart said. 'I went to the Foreign Office. I went to the editors of the largest newspapers in Britain. They unanimously agreed not to run the advertisement. I believe all of us must take up the task to outmatch Krushchev regardless of profits or prestige.'"

'It says much for Mr Coltart's persuasiveness that he was able to induce these editors to depart from the accepted newspaper practice of not imposing political censorship on advertisements, and for his energy that he can envisage undertaking the necessary and prolonged task of reaching "every member of the Cabinet" and "every trade unionist", on top of his onerous regular work for Mr Thomson. Whether Mr Thomson shares his view is not known, that MRA must be campaigned for "regardless of profits"; this would not at first sight seem to be in harmony with what is known of Mr Thomson's general approach to newspaper publishing.<sup>123</sup>

<sup>123</sup> Mr Driberg's piece led to a heated correspondence in the *New Statesman*. Replying to it, on 25 June, 1960 he wrote in a long letter:

'Mr Coltart's determination has not been without effect. There have been many references to MRA in the Scotsman recently which experienced Scottish journalists would not, on their news-value, have expected to find there; and of a recent half-hour programme on STV devoted to an interview by John Watson with a Buchmanite spokesman, Roger Hicks, the Glasgow Herald critic, remarked that Mr Watson was so "scrupulously agreeable" that he seemed "much more concerned with comprehending Mr Hicks' views than with challenging them." This was MRA's second boost on STV within a few weeks—though STV is notoriously deficient in serious programmes, is heavily loaded with American film series, and has a far poorer record in original drama than other ITV companies.

'Mr Coltart has since stated that "he personally knew nothing about it" before this programme was broadcast; and it is true that the cause can claim a more proximate champion inside STV itself, since its programme director, Mr Gerry Le Grove, has said of MRA (Sunday Mail, 15 May): "I wouldn't say I was deeply involved, but I certainly believe in everything it stands for."

In the same period, Mr Bernard Harris, in the Sunday Express, 22 May, 1960, wrote sharply about the thirty-two page booklet Ideology and Co-existence published by MRA:

'An ambitious enterprise... and costly too. Who could possibly be footing the bill? If you estimate the production cost of each copy at 3d.—and that could be on the low side—the cost of the 15,000,000 copies being distributed in this country would be £187,500 for production alone. Then there is the cost of distribution. In some rural areas MRA teams are distributing the booklet at their own expense. But elsewhere the job is being undertaken by 8,000

<sup>&#</sup>x27;Meanwhile I am glad to learn that Mr Coltart was not carrying out Mr Roy Thomson's wishes when he managed to keep an anti-Adenauer advertisement out of the Thomson newpapers.'

In reply to protests against the refusal of a South African Boycott advertisement by another Thomson newspaper, the Sheffield Star, Mr Thomson has stated that neither he nor the editor of the Star approved of this action. He adds:

<sup>&#</sup>x27;... I operate all my newspapers on the basis that everyone should have equal rights in the columns of the papers and I do not want any of my newspapers to be at all restrictive.'

messengers of a national distributing agency who are walking 350,000 miles on their task.

'So the final bill for Britain alone cannot be much less than £250,000—and it could be more. Add in the other countries and it becomes clear that MRA is spending at least £1,000,000 on this mammoth propaganda effort.

'Where is all that money coming from?

'The only clue in the booklet itself is that "it is being made available for every home by citizens who believe that their countries are in great danger, and that the facts need to be known so that the right choice is made."

'Who are these unnamed citizens?'

Mr Harris made his own investigations and was unconvinced by the stories he received of small gifts merging into a £1 million avalanche. He concluded:

'... Those who have read the booklet—and it needs an effort to do so—could be excused for thinking that among its mysterious financial backers is the American State Department.' 124

<sup>124</sup> A related question was discussed in a *Times* leader on 13 June, 1960, which said:

'Dr Frank Buchman is the initiator and leading figure of Moral Rearmament—a movement which places a great and proper emphasis on absolute honesty. Recently, to mark the opening of world assemblies at Caux and Mackinac Island, Dr Buchman made a broadcast. This has received wide publicity, both through the publication of pamphlets reprinting its text and through paid advertisements in newspapers. It begins in this way:

"There is a hurricane of common sense sweeping through the world. 'A Hurricane of Common Sense'—that was the headline in a newspaper read by the leaders of Washington. It refers to the manifesto 'Ideology and Co-existence' which in the past six months has gone to 73,000,000 homes . . ."

The identity of the newspaper may be of some interest. We began by assuming, since it was read by the leading men of Washington, that it must be the Washington Post, the New York Times, or the Herald Tribune. But no, it was none of these. Could it then be the Washington Star, the Sun of Baltimore, one of the Philadelphia papers, or the Richmond Times-Dispatch? No, again: it was none of these. On inquiry it turned out to be the Bethesda-Chevy Chase Advertiser. This is not a newspaper in the normal sense. It is a weekly, given away free, and almost all its content is advertising. It contains a column by its publisher, Mr Paulin, under the pseudonym "Tarpaulin". The headline

Not unexpectedly, the Scottish correspondent of the *Daily Worker*, <sup>125</sup> Mr Philip Stein, put his view even more bluntly:

'The situation at Scottish Television has really become something of a national scandal. On Monday night it put on for half an hour at a peak viewing time one of the chief illusionists of Moral Rearmament, Roger Hicks, to spread its unctuous quasi-religious doctrines of Buchmanite anti-Communism.

'Not a single advert disturbed the slippery double-talk of Godis-behind-us Hicks in the queasy, obsequious interview by Scottish Television's John Watson—as usual about as relaxed as a stuttering case of St Vitus' dance.

'This is the third time MRA has been given a boost by Scottish Television in recent months.

'And from a national television outfit which could not spare a single reporter, interviewer, cameraman or programme for the Scottish T.U.C.—annual parliament of Scotland's 800,000 trade unionists.

'Lord Belhaven, Scottish officer of the Independent Television Authority and the supposed custodian of commercial television standards in Scotland, said of the programme:

"It was cleared by Scottish television's religious advisory committee, which really put it out of my hands..." He agreed the programme had political overtones, "but only to a certain degree."

"It was innocent compared with the attack on Foulkes on the BBC," he said seriously. Lord Belhaven, who has spent most of his active life in the Colonial Service and was chairman of Motherwell and Wishaw Tory Party, added:

"Politically for me really means does it attack a party? If the programme attacked the Conservative Party then it should have to give an equal time for a reply . . ." He could only chuckle when

quoted by Mr Buchman appeared above this column on 31 March. The Bethesda-Chevy Chase Advertiser may, of course, be read by leading men in Washington: we do not know, having never heard of it before. If, however, one looks at the list of Cabinet members, only two of the eleven live in the Bethesda-Chevy Chase area. (The Labour Secretary, Mr Mitchell, does not give his address.) The point may be a small one, coming at the beginning of a broadcast in which Dr Buchman deals with great matters. In any event, it is one on which individuals will want to form their own conclusions.'

I asked did he not think the special pleading for MRA was entirely due to the fact that Scottish Television's big white chief was Mr James Coltart, millionaire owner Roy Thomson's right-hand man and chief MRA disciple in Britain.

"Why don't you get on to the company?" he said.

'Well, of course with an acute feeling of sympathy for an embarrassed staff painfully aware of the MRA influences at work, I did.

'The explanation finally obtained made bad worse. "We felt the programme was newsworthy in view of the tremendous current campaign of MRA and timely in view of the MRA World Congress at Caux."

'That "explanation" might mean something if the interview really sought to take the MRA man apart instead of reacting to his smarmy ideological phrasemongering like one of Pavlov's dogs to the ringing bell. ("I can see that, Mr Hicks...I must read that..." Ugh!)'

This is a strange situation. The controller of STV must deliberately tolerate or approve it. What then of Mr Thomson himself? The Guardian's London Letter of 12 September, 1959, reported:

"... In all the thousands of words that have been written about Mr Roy Thomson since he arrived in this country the one thing that has never been suggested is that he has any direct ambitions in British politics (though the House of Lords has been mentioned). Only this week, he told a Canadian visitor that political pastures held no attractions for him on either side of the Atlantic, though it is true that he once stood as a Conservative candidate in Ontario (but was not elected).

'For a few minutes this evening it looks as if he might have changed his mind. The jungle telegraph that links the Canadian community in London carried a terse bulletin: Thomson seeing Prime Minister, flying to see Beaverbrook, believed to have given £10,000 to Tory party funds.

'However, investigations reveal that only part of the bulletin is accurate. Before catching the night flight to Toronto, Mr Thomson was invited to 10 Downing Street by Mr Macmillan in a private, rather than political, capacity. Next week he flies to New Brunswick to be Lord Beaverbrook's guest and to see the splendid art gallery

which the Beaver is giving to the people of the province. But Mr Thomson is not the anonymous Canadian whose cheque for £10,000 is in the post tonight, addresed to Lord Hailsham at the Conservative Central Office. Earlier in the day the cheque had arrived at the home of Sir Beverley Baxter, who said that it was from "a wealthy Canadian who lives between Canada and this country". When rumours flew that it was from Roy Thomson, Sir Beverley said explicitly that it was not, adding that he was bound not to name the donor. Mr Thomson, presumably, remains apolitical.'

What is clear is this: a conservatively-minded millionaire has secured massive influence in both press and television inside and outside Scotland in a way comparable to, but worse than, the situations in ATV and A-R. Mr Thomson is also interested in Nigerian newspapers. Time, 17 October, 1960, carried a story which related, in part, 'Canada's Roy Thomson, who, with twenty-eight papers in Canada, eight in the U.S., eleven in Scotland, five in Wales and twenty-one in England, is about the nearest thing to an international press lord, has acquired a 50 per cent interest in the Awolowo chain. Thomson showed up in Nigeria on Independence Day with a pledge to give his new property plenty of money-but no editorial interference.' But whether or not Mr Thomson did give a substantial sum to the Conservative Party funds, it is agreed that he could certainly have afforded it. Mr Alexander Thomson wrote in the Evening Standard of 17 July, 1959:

'Mr Roy Thomson, the Canadian newspaper proprietor, stands out today as a master of finance in the deal he has fixed up with Kemsley Newspapers. It is the most intriguing for a long time.

'From selling Scottish Television to Kemsley, Mr Thomson is to *receive* cash and securities worth £6,000,000 on my reckoning. I doubt if his original investment in Scottish TV cost more than £100,000.

'In the other leg of his deal, Mr Thomson is to pay £5,000,000 for the 1,000,000 Kemsley Ordinary shares held by Lord Kemsley and his family.

'So it seems that 65-year-old Mr Thomson is going to be happily placed.

'He gains control of the Kemsley chain of newspapers, including the Sunday Times, with the financial advantage much in his favour. 'In the reorganized Kemsley company, there will be a total of 4,500,000 votes. Of these, 3,000,000 will be held by Mr Thomson and friends. But only 2,250,000 will be needed for firm control. So, Mr Thomson will be able to resell 750,000 Kemsley Ordinary shares at a later stage if he wants to. And still stay the boss.

'On the basis of the 90s. valuation which the deal puts on Kemsley Ordinary shares, Mr Thomson would then get back more than £3,000,000.'

The composition of the Scottish Television Board bears out this analysis. Lord Balfour of Inchrye is a former Conservative Minister and still an active politician. In 1957 he suggested 'a voluntary standstill for one year of the distributed profits . . . and that this standstill is linked to a voluntary wage increase holiday and also a holiday from all applications for shorter hours.'

He also proposed that the unions should 'abandon restrictive practices in return for any increase in wages during a standstill period being directly related to productivity.'

Lord Balfour is a director of the Consolidated Mines Selection Co. which is one of the major companies in the Oppenheimer mining group.

The Rothschild banking house is closely connected with this organization as a result of its earlier financial interests in the De Beers Diamond Production and Marketing Company. Rothschilds supply two directors additionally to the Rio Tinto, where Sir Anthony Eden once held a boardroom seat: they have tremendous influence not only in the huge and extensive field of South African mining but also in Rhodesian copper. Other directors of Consolidated Mines Selection Co. are Mr J. O. Hambro, M.C., and Mr E. C. Baring, O.B.E., who are both from the finance groups that bear their names. Lord Balfour is also on the Board of the publicly-owned British European Airways.

The Rothschilds are, of course, in alliance with a number of other major mutually protective financial institutions and with the Alliance Assurance Co., where can be found Viscount Chandos, p.c., of A.E.I., Viscount Bearsted of Samuels, and Mr W. G. Keswick, <sup>126</sup> of British Petroleum, the Bank of England and the

126 At the Tribunal of Enquiry into the alleged lenkage of the Bank Rate change, it was disclosed that Mr Keswick had sent the following letter to Mr Hugh Barton, chairman of Jardine, Matheson & Co.,

Hudson's Bay Co., etc., Mr Holland-Martin, 127 and other representatives of great commercial and industrial concerns. 128 But the

Hongkong, one of his associate companies. I reproduce it as published in The Times:

'My dear Hugh,

'I have just returned from Scotland where we had a wonderful time... I returned to a very depressed City. I believe the trade figures are dreadful and one hears on all sides ugly rumours of devaluation.

'John tells me you are asking about our views on devaluation, and especially about the merits of selling gilts. This is not easy, and whichever view one takes one is apt to be wrong. I shall telegraph you about the Three per cent's. I do not believe the Chancellor dare devalue and therefore he will resort to all measures before so doing.

'Speculative pressure against sterling is very serious indeed. It seems a "Heads I win, tails you lose" bet for sellers of sterling short, and I do not see how that can be stopped. What measures the Government will take to check inflation—which is rampant—and protect the pound I do not know.

'I am certain that the credit squeeze will go on, and it looks to me as if money will get tighter. Consequently, it must be right policy to keep as liquid as possible both the firm itself and the companies,' (Then the letter here mentioned a name and continued) 'The more people like him, who cry down sterling, the weaker it becomes; it happens to be our currency, and I feel it is up to us to support it as much as possible. If sterling goes then we all go—but these are platitudes.

'As to gilt-edged, I know your fears of holding them, and in view of the importance of being liquid during the time of the credit squeeze and dear money, perhaps the time has come to sell.

'Reluctantly, therefore, I recommend that you should sell the firm's holdings in case they slide away further, and then to keep the cash in London.

'You have payments to make for Indo-China building instalments and an overdraft from the Hongkong bank because you do not want to take the loss on Indo-China holdings of gilts. You may consider taking this decision to sell now.

'I must say I can see no reason why gilts should go up. My advice, therefore, all around, is to sell. With regard to the insurance companies, I imagine you should continue your policy of switching more into North-American bonds and equities.

'Again it is anti-British and derogatory to sterling, but on balance if one is free to do so, it makes sense to me.

'Yours ever,

'W. J. Keswick.'

127 Who has died since the drafting of this chapter.

128 See Power at the Top for a more detailed analysis.

key man is Mr Thomson; after all, he owns the business.

I met him<sup>129</sup> and questioned some of his attitudes. A rumpled, charming teddy-bear of a man, behind pebbly glasses, he was candid and eager to counter-attack and score.

Thomson: I was kept at a lunch at the Mansion House. I was at the

top table and I couldn't get away . . .

Jenkins: Tell me, Mr Thomson, how much do you own of Scottish
Television?

Thomson: Well, the Thomson interests own 80 per cent, Howard and Wyndham (the Scottish theatre people) own 10 per

cent and the rest is spread. There are about 20-25 share-holders.

Jenkins: You have made some picturesque remarks in your time

about profits—

Thomson: I like to talk. I talk too much but I reckon I have talked

myself into more deals than out so I am still ahead of the

game.

Jenkins: You first used the phrase that 'a contract to operate a

commercial TV programme company is like having a licence to print money'. Lord Beaverbrook agrees with

you. What do you think of his attitude?

Thomson: Max Beaverbrook is a good friend of mine. I respect him

and his commenting in the public interest.

Jenkins: With your great personal interest in Scottish TV how

do you look upon your role as a policy former?

Thomson: I am a trustee. Television and radio are different from

newspapers. You can own newspapers but not television or radio . . . You cannot neglect minorities or majorities in this business. The biggest moron has a vote and he must be catered to, too. The minorities are over-catered

to . . .

Jenkins: How do you assess your responsibility for the raising of

public taste?

Thomson: Raise public taste? Wouldn't this drive them away? It

would horrify you to know how unpopular some pro-

grammes are. If you deliberately tried to raise public taste

<sup>129 10</sup> June, 1959.

Thomson:

you would end up by shutting all the theatres in London and only opening the Albert Hall for symphonies. Do you know the 'Brains Trust' gets 2 per cent of the audience that our big programmes get; maybe 5 per cent. We are out to seek a majority audience like the Mirror. We believe that we maintain a reasonable level of culture in ITV and we deliberately lose audience for discussion programmes. We have a responsibility to raise taste but not to the extent of driving our audience away. Lookwe make no apology for offering these programmes. A miner wants to go home and see an entertaining movie. He ought to get it. We bring a little sunshine into people's lives. We have nothing pornographic—not like the newspapers—we would lose our audience if there is a young boy or girl who has to be told 'do not watch'; we don't want to do it anyway.

Jenkins: What of the criticism that the programme contractors use

a great deal of canned American material?
Well, as you know, we are required to screen 15 per cent

of regional material. 15 per cent is a generous percentage of local matter. We have a supply problem because most Scots productions are not acceptable in England and we therefore have to carry a larger percentage of local material

than most U.S. stations. We show 'This Wonderful World' and 'Here and Now', which help to make up more than our share. They are wonderful.

Jenkins: Do you issue any directives to producers?

Thomson: Yes, our challenge is a contradiction in terms. Uplifting

and audience holding at the same time.

Jenkins: Who do you think should control a third or fourth audience

network? Would you like another outlet?

Thomson: I would like another network but I don't expect to get it. I would love it. I can't get shares in another network; I am not allowed. This is monopoly, and I am for competition. If the other guy is breathing down your neck you are really moving. If the other son-of-a-bitch is after you

you really do your best . . .

Jenkins: How would a change of government affect you and your

prospects?

CANADIANS, COMMERCE AND A KIND OF CHRISTIANS

Thomson: Would Labour affect us? Read that interview with Gaitskell; he said no one wants nationalized commercial television. 130

What do you think of the profit situation? Tenkins:

Maybe there will be more taxation—but we will get it Thomson:

under the Tories too.

Some of the leaders in commercial television I have spoken Jenkins:

> to are complaining that their profit rates are slowing down although they also say that their advertising time is sold

out.

Thomson: Don't believe them if they say they are sold out. Mind you,

business is only just up. But no one is sold out. If anyone wants to put £200,000 into us, give it to us and sure as

hell we will put it somewhere.

But what is the answer to the profit situation which is Tenkins:

obviously causing some public concern?

All profits arise from a monopoly situation. Another Thomson:

> round of stations will cure the profit situation. Programme ratings would be cut and it would cost more money per head to the advertisers and the rates would have to be cut. If there is one station in London 131 they could charge what they like. Imagine if there was one newspaper . . .

Many people feel that there is inadequate public control Jenkins:

of the programme contractors . . .

No. I don't think so. We operate the Act. There are only Thomson: mistakes as in newspapers. Has anyone violated the Act?

We certainly have no policy to violate it and I have never heard it suggested that anyone else has. The British system is much superior to the United States; the advertiser is

respected in the United States: here we are.

Jenkins: What do you think of your programme output?

Thomson: I don't like morbid things and some of the plays are

morbid. But some people like it. They say it comes from life. Our programmes are very much in the public eye. If you raise a finger somebody says 'didja see? He raised it to his nose."

<sup>130</sup> Mr Thomson was referring to the interview with the Evening Standard.

<sup>131 ...</sup> and there is  $C.\mathcal{F}$ .

Jenkins: Do you know about the British Actors' Equity plan for

Pay-As-You-View TV?

Thomson: Yes, I think it will come, but it won't help Equity. 132

Does a Socialist like you want this? Give it to all or none,

except for the very special things.

Jenkins: Do you know about the Cine Technicians' plan for the

BBC to have a third network?

way and the most profitable.

Thomson: I'd prefer them to another commercial company. They

are easier. But remember this, no one else would take the Scottish contract, ITA would have had to do it themselves and they didn't want to. At that time the London companies' losses were three and a quarter million pounds. I took the chance. I could have lost a million pounds. If the business doesn't go it isn't worth 5 cents. Only a handful of sets were converted in Scotland. I deserve to have a profit: we could have been down the drain for a million pounds. We have never done a sloppy, dirty operation. I believe in the Rotary slogan 'he profits most who serves best'. Honesty is the best policy. When the licences come up for renewal I hope this counts. We have had a minimum number of breaches. I conduct a clean business, it is the best

Another STV director, Mr C. N. McQueen, represents Howard and Wyndham Ltd. on the STV Board. Another Howard and Wyndham director is Mr Prince Littler, the Chairman of ATV.

The Observer of 6 November, 1960, had Mammon recording: "The Prince and his ubiquitous accountant, T. F. BIRCH, sit on the boards of more than thirty companies, where they meet all the other great powers of the theatre—Stewart Cruikshank, of the

132 Discussing the annual report of the Scottish Committee of Equity The Times Glasgow correspondent wrote on 18 January, 1961: 'Scottish commercial television... prefers to use mainly members of its own staff instead of free lance talent because "it is cheaper". In spite of the fact that Glasgow today is the most vital theatrical city outside London, only one programme from Scottish Television, and that employing no Scottish performers, finds a regular place in the national network. The report states that it is true to say that any reputation possessed by Scottish Television is by virtue of the English and American companies whose programmes it shows on the network.'

HOWARD AND WYNDHAM provincial chain, for example, and VAL PARNELL, of the London Palladium.'

Mr McQueen is also a director of the Scottish Equitable Life Assurance Society. An extraordinary director of the same company is Mr Howard F. Bowser, who is a director of the Whitehall Trust Ltd., which is one of the Pearson companies already discussed in connection with their influence in ATV. Another extraordinary director of Scottish Equitable is Viscount Thurso. K.T., P.C., C.M.G., a former Leader of the Liberal Party. But the most interesting director from the point of view of connections is Mr Iain Stewart, whose name has already been mentioned as a Babcock & Wilcox director, who is in the Eagle Star Insurance Company, which has many connections with Mr H. Drayton's enterprises, which in turn are closely connected, in a direct or indirect way, with both of the two major contracting companies ATV and A-R, Southern TV and TWW. Mr Stewart is also on the Board of the National Bank of Scotland, which is a subsidiary of Lloyds Bank Limited, which has been mentioned in connection with ATV.

His chairman in Babcock & Wilcox is Mr W. Lionel Fraser, c.m.g., who is chairman of the investment and banking firm Helbert, Wagg & Co. Ltd., and also chairman of Thomas Tilling Ltd. Holding Co., which controls a number of profitable firms ranging from glassware to publishing. Mr Fraser is the deputy chairman of Atlas Assurance Co. Ltd., which merged with the Royal Exchange Assurance Co. in 1959, which means that Atlas thereby created links with the Pearson group (through Lord Kindersley of the Royal Exchange Assurance Co., chairman of Lazards, S. Pearson & Co., the Bank of England, British Match Corporation, Rolls-Royce, and the Bank of London and South America).

Of course, the chairman of Atlas Assurance in himself is an extremely important man, even if he were not also the chairman of Philip Hill Higginson Erlanger Ltd. So Mr Stewart has onceremoved connections with the two great financial influences in commercial television, as well as his own special place in Scottish Television. He was promoted to the Board of Thomson Newspapers Ltd. with effect from 17 March, 1960.

What will Mr Thomson do now? The Earl of Arran, calling

'attention to the newspapers' in the House of Lords, 183 said that:

'About a year ago Kemsley Newspapers were taken over by what was now known as Thomson Newspapers. The Kemsley Group comprised an impressive number of provincial newspapers and also three Sunday newspapers, the Sunday Times, the Empire News, and the Sunday Graphic. To this considerable English empire the new proprietor was able to add the leading Scottish daily, the Scotsman. This might have been a matter of small moment had it not been that the same proprietor was also chairman of Scottish Television. Let them suppose, and the supposition was not entirely vain, that he was now to buy the Glasgow Herald. Then there was a position where one man would own the three leading Scottish daily newspapers and was head of Scottish Television. He would control Scotland "he, mark you, is not a Scot". [Laughter.]

'This might not be a monopoly in the sense that it could be examined by the Monopolies Commission but it seemed a rather frightening thought. Would it stop there? Mr Thomson was reported as saying that he would like to own a national daily. It was no secret that several national dailies were finding it difficult to pay their way. Any or all of them might be tempted to sell out like the Kemsley Group.'

In opening the debate, the Earl of Arran said he 'must declare his interest as an employee of Associated Newspapers Ltd., the Daily Mail group . . .'

As will be recalled, Associated Newspapers partner the Rank Organization and D. C. Thomson in Southern TV, and the Earl of Arran's attack, therefore, is inexplicable.

Mr Thomson obviously wishes to broaden his operations. A healthy power drive led him to say on a TWW programme 'I have, I think, seventy-odd newspapers now and I'd like to make it an even hundred . . . '134

In Manchester he is negotiating with a view to rationalizing some of the publication problems of his *Evening Chronicle* by the formation of a new company together with the *Manchester Evening News*, which is owned by Manchester Guardian and Evening News Ltd. He said:

<sup>188</sup> Quotations from a Times report, 23 June, 1960.

<sup>134</sup> Reported in Audio-Visual Selling, 9 October, 1959.

'One or other paper—mine probably—would eventually go to the wall, and Manchester would be left with only one evening paper.

'I thought the way to avoid that was through co-operation, by which we can eliminate certain wasteful practices.'

## The Daily Express joked:135

'Of course, it is very droll to watch the *Guardian* and its evening paper—which have a Liberal tradition—welcoming the advances of Mr Thomson's Tory journal; and I await with great interest the outcome of any marriage.

'The Guardian is supposed to be wearing the trousers, with a controlling interest in both papers. But the old lady must not be surprised to find herself in a year or so jigging to a livelier tune than that she called for.

'Mr Thomson, a Canadian, plays the pipes prestissimo.'

Even more interesting is that the Manchester Guardian has the largest single holding of 'A' Ordinary non-voting shares in Anglia Television Ltd. (20,700 out of 98,379 of the allotment of 13 December, 1958) and the largest holding of 'C' Ordinary (voting) shares (giving it 2,300 out of the 'B' and 'C' Ordinary [voting] shares total of 12,931: 'B' Ordinary (voting) shares can only be held by local residents and institutions).

So a link is created between Anglia and Scottish TV.

Mr Thomson was also in the Rhodesia Television Ltd. syndicate (including the huge Philips group) which secured a contract to operate a television service in the Central African Federation.

So he stands, with his hands on a fused TV-radio-newspaper empire reaching from the *Moose faw Times Herald* through the Florida St Petersberg Independent to the Scotsman, Scottish Television and the Sunday Times. 136

<sup>136</sup> Among the newspapers in the Kemsley chain which Thomson now controls are the following:

Sundays: Sunday Times, Empire News, Sunday Graphic and Sunday Sun (Newcastle upon Tyne).

Mornings: Newcastle Journal, Western Mail, Sheffield Telegraph, Aberdeen Press and Journal.

Evenings: Manchester Evening Chronicle, Newcastle Evening Chronicle, Sheffield Star, South Wales Echo, Middlesbrough Evening Gazette,

<sup>&</sup>lt;sup>135</sup> 20 July, 1960.

If his ambitious merger with Odhams had come off he would have had a position of leverage and power in an organization with net assets of £49.2 million on which the trading profits would have been over £8.3 million. Thomson-Odhams would have incorporated Kemsley News, Hulton Press and George Newnes, and would have published the Daily Herald, Scotsman, People, Sunday Times and various periodicals including Today, Woman, Eagle, Girl, Robin, Farmers Weekly, Debrett, Woman's Own, Country Life and Men Only.

All this would have come, in the end, from the immense returns of the Scottish Television monopoly upon which Mr Thomson's barony is balanced and the empire was predicated.

He has come a long way from the time he heard 'the most beautiful music of all: "a spot commercial at ten bucks a whack".'

At a Press Conference called by the Wider Share Ownership Committee (reported in *The Times*, 9 February, 1961) Mr Thomson 'genially expounded "the plan on which I've worked my life".' This was: 'Have equities, and borrow money.' He never put any money in fixed interest securities. 'Frankly,' he said, 'I think anyone who does is a sucker.'

With equities, he was continually amazed that there was such a way of getting money. 'You buy them and you make money. If that is the right way for me—I borrow the money and pass out bonds for it and keep all the equity I can for myself—it is a good principle for ordinary people.'

In the words of the Observer: 'He is less a moralist than a brilliant financial opportunist.' How can anyone justify so much opinion-forming power in one private citizen's hands?

the Evening Telegraph, Blackburn, and Evening Express, Aberdeen. Weeklies: Lancashire and Cheshire County Newspapers group.

(Observer: 11 July, 1959)

## Chapter Seven

#### SOUTHERN TELEVISION LIMITED

(From company returns, Bush House, early 1960)

Directors

Other Directorships

JOHN H. DAVIS

(Sits on 135 companies. Rank Organization (deputy chairman and This is a selection) managing)

Gaumont British Picture Corporation Ltd. (deputy chairman)

Odeon Associated Theatres Ltd.

Bush Radio Ltd.

Eagle Star Insurance Co. Ltd.

Metropolis & Bradford Trust Co. Ltd.

British & Dominion Film Corporation Ltd. (deputy chairman)

Children's Film Foundation Ltd.

Circuits Management Association Ltd. (managing)

Essoldomatic Ltd.

Film Development & Research Ltd.

General Cinema Finance Corporation Ltd.

Greater Union Theatre (Pty.) Ltd. Australia

- J. Arthur Rank Organization (Management)Ltd. (managing)
- J. Arthur Rank Overseas Film Distributors Ltd.
- J. Arthur Rank Productions Ltd.

Kerridge Theatres Ltd. (New Zealand)

Odeon Properties Ltd.

Overseas Cinematograph Theatres Ltd.

P. C. T. Construction Co. Ltd.

Rank Film Distributors Ltd.

Rank Precision Industries Ltd.

Rank Records Ltd.

#### SOUTHERN TELEVISION LIMITED—continued

Directors

Other Directorships

JOHN H. DAVIS-cont.

Rank Xerox Ltd. Theatre Publicity Ltd.

#### K. Winckles

(Sits on 93 companies. This is a selection) Rank Organization Ltd. (joint assistant managing)

British & Dominions Film Corporation Ltd. British Commonwealth International Newsfilm Agency Ltd.

Bush Radio Ltd.

General Theatre Corporation Ltd. Odeon Associated Theatres Ltd.

Odeon Properties Ltd.

P. C. T. Construction Co. Ltd.

Provincial Cinematograph Theatres Ltd.

Rank Cintel Ltd.

Rank Film Distributors Ltd. Rank Precision Industries Ltd.

Rank Records Ltd.

Rank Screen Services Ltd.

Rank Xerox Ltd.

#### D. F. S. McClean

Associated Newspapers Ltd.
Daily Sketch & Daily Graphic Ltd.
Taylor Bros. Wharfage Co. Ltd.
Television Corporation Ltd., Sydney
Herald-Sun T.V. Pty. Ltd., Melbourne
Television Broadcasters Ltd., Adelaide

#### DONALD GEDDES

Associated Newspapers Ltd.

#### D. L. Webster

General Administrator, Royal Opera House, Covent Garden The Royal Ballet, Board of Governors

#### SOUTHERN TELEVISION LIMITED-continued

Directors

Other Directorships

R. A. REDHEAD

Associated Newspapers Ltd.

Daily Sketch & Daily Graphic Ltd.

C. D. WILSON

Watts & Co. Ltd.

ROY RICH

Rich & Rich Ltd.

G. R. Dowson

LORD CORNWALLIS

Barclays Bank Ltd.

Findlater Mackie & Co. Ltd.

Fremlins Ltd.

Isherwood Foster & Stacey Ltd.

Liverpool & London & Globe Insurance

Co. Ltd,\*

Albert E. Reed & Co. Ltd. Royal Insurance Co. Ltd. Warden Insurance Co. Ltd.

SIR WALTER R. D. PERKINS

Southern Newspapers Ltd. Bournemouth Times Ltd. R. &. J. Dempster Ltd. Robert Dempster Ltd.

WILLIAM H. THOMSON

D. C. Thomson & Co. Ltd. John Leng & Co. Ltd.

W., D. C. & F. Thomson Ltd. Scottish Canadian Trust Ltd.

Scots Magazine Ltd. Kemback Estate Ltd.

<sup>\*</sup> Liverpool & London & Globe Insurance Co. Ltd. is a subsidiary of Royal Insurance Co. Ltd.

### SOUTHERN TELEVISION LIMITED-continued

Directors

Other Directorships

Issued I

BRIAN H. THOMSON

D. C. Thomson & Co. Ltd. John Leng & Co. Ltd. Scottish Canadian Trust Ltd. Kemback Estate Ltd.

DEREK B. THOMSON

D. C. Thomson & Co. Ltd. John Leng & Co. Ltd. Kemback Estate Ltd.

## SOUTHERN TELEVISION LIMITED ownership\*

			ಸು	
'A' Ordinary shares of £1		3	3,333	
'B' Ordinary shares of £1		33,333		
'C' Ordinary shares of £1		33,333		
Unclassified			I	
	100,000			
Shareholders	'A'	'B'	,С,	
Associated Newspapers Ltd.		4,250	33,333	
Rank Organization Ltd.,	33,333	4,250		
D. C. Thomson Co. Ltd.,				
Dundee		24,833		

<sup>\*</sup> As at 11 April, 1960.

Capital†

<sup>†</sup> All shares have equal voting rights.

#### SOUTHERN TELEVISION LIMITED

#### PROFITS\*

	1958 £.	1959 L
Trading Profit	83,925	1,027,645
Interest	265	4,166
Total Profit	83,660	1,031,811
Depreciation	14,666	82,009
Directors	1,819	20,776
Auditors	1,400	1,750
Interest	13,257	35,552
Tax		384,198
Net Profit	114,802	507,526
Dividend		299,997
Preliminary Expenses	4,989	
Retained	119,791	207,529

<sup>\*</sup> Financial year ends 30 October.

#### RANK ORGANIZATION LIMITED

Directors

Other Directorships

LORD RANK, I.P. (Chairman)

Associated London Flour Millers Ltd. Gaumont British Picture Corporation Ltd. (chairman) and associated companies Horace Marshall & Sons Ltd. (chairman) Hughes Dickson & Co. (1925) Ltd. Irish Cinemas Ltd. (chairman)

J. & H. Robinson Ltd.

J. Arthur Rank Organization Ltd. (chairman)

Joseph Rank Ltd. (chairman)

Medway Milling Co. Ltd. (chairman) Ranks Ltd. (chairman) and associated companies

S. P. Mumford & Co. Ltd. Taylor, Taylor & Hobson Ltd.

JOHN H. DAVIS

(See Southern Television Ltd., page 188)

K. Winckles

(See Southern Television Ltd., page 188

HARRY NORRIS

Southern Television and over thirty cinema and associated company directorships

EARL WINTERTON, P.C.

British & Dominions Film Corporation Ltd. General Cinema Finance Corporation Ltd. Odeon Associated Theatres Ltd. Royal Exchange Assurance (also Brighton

local board)

J. A. Callum

British & Dominion Film Corporation Ltd. Circuits Management Association

#### RANK ORGANIZATION LIMITED—continued

Directors

Other Directorships

J. A. CALLUM—cont.

General Cinema Finance Corporation Ltd. Liverpool Reversionary Co. Ltd. Odeon Associated Theatres Ltd. Odeon Properties Ltd.

HENRY R. MOORE

(SS Philip Hill Higginson Erlangers Ltd., page 76)

G. I. WOODHAM-SMITH

Richards, Butler & Co.
Benenden School (Kent) Ltd.
British & Dominions Film Corporation Ltd.
Buries Markes Ltd.
Denham & Pinewood Holdings Ltd.
Gaumont British Picture Corporation Ltd.
General Cinema Finance Corporation Ltd.
Louis Dreyfus & Co. Ltd. (deputy chairman)
Odeon Properties Ltd.
Portals Ltd.
Provincial Cinematograph Theatres Ltd.
Sagland Ltd.

#### COL. ARCHIBALD CHRISTIE

American Investment & General Trust Co.
Ltd.

Austral Trust Ltd.

Bankers' Investment Trust Ltd.

British & Dominions Film Corporation Ltd.

Embankment Trust Ltd. (chairman)

Foreign, American & General Investments Trust Co. Ltd.

General Cinema Finance Corporation Ltd.

Great Britain & Canada Investment Corporation

Northern Stockholders Investment Trust Ltd. (chairman)

#### RANK ORGANIZATION LIMITED—continued

Directors

Other Directorships

Col. Archibald Christie-cont.

Odeon Associated Theatres Ltd.

Odeon Properties Ltd.

Scottish Stockholders' Investment Trust Ltd. (chairman)

Southern Stockholders' Investment Trust Ltd. (chairman)

Trust Managers Secretariat Ltd.

United States & General Trust Corporation Ltd.

#### E. R. CRAMMOND

British Industrial Plastics Ltd. (chairman)
A. & S. Henry & Co. Ltd. (deputy chairman)
British & Dominions Film Corporation Ltd.
British Columbia Electric Co. Ltd.
British Columbia Power Corporation Ltd.
D. & P. Studios Ltd.
F. Pratt & Co. Ltd.
Hopkinsons Ltd. (deputy chairman)
National Canning Co. Ltd.
Odeon Associated Theatres Ltd.
Smedleys Ltd.
Stone-Platt Industries Ltd. (deputy chairman)

### Earl St John

General Cinema Finance Corporation Ltd.
Group Film Productions Ltd.
J. Arthur Rank Productions Ltd.
Odeon Associated Theatres Ltd.
Odeon Properties Ltd.
Two Cities Films Ltd.

#### WILLIAM CODRINGTON

(See Philip Hill Investment Trust, page 70)

#### RANK ORGANIZATION LIMITED—continued

Directors

Other Directorships

WM. E. JENKINS

Odeon Associated Theatres Ltd. Odeon Properties Ltd. A. P. V. Co. Ltd.

COL. SIR LEONARD ROPNER, M.P.

Sir R. Ropner & Co. (Management) Ltd. British & Dominions Film Corporation Ltd. British Shipowners Association Chamber of Shipping of the U.K. (council) Elton Stores Ltd.

General Cinema Finance Corporation Odeon Associated Theatres Ltd.

Odeon Properties Ltd.

Ropner Holdings Ltd. (a managing)

Sir R. Ropner & Co. (Line) Ltd.

Sir R. Ropner & Co. (London) Ltd.

## Not at All What it Seems: Southern Television

'Though duly from my hand he took
His pittance every night
He did it with a jealous look
and, when he could, would bite.'

COWPER

SOUTHERN TELEVISION now looks like a simple alliance between the Rank Organization<sup>197</sup> and Associated Newspapers Ltd., with D. C. Thomson & Co. Ltd., the Dundee publishers (renowned for their anti-trade union attitude which provoked a famous strike) holding a minority interest.

The Chairman of Associated Newspapers, Lord Rothermere, is a director of Lord Rank's Gaumont British Picture Corporation Ltd. But, as with the other companies, the first impression is quite inadequate and does not show the complicated ganglia of connection with other groupings.

For example, Mr John Davis, who is deputy chairman and managing director of the Rank Organization, is on the board of the Eagle Star Insurance Co. Ltd. 182 which has, in earlier chap-

187 i.e., Odeon Cinema Holdings of which it is a subsidiary. Additionally Lord Rank said to his shareholders, in May 1959:

'... that the boards of the Rank Organization and Gaumont-British have agreed that all new developments, such as commercial TV, gramophone record production and distribution, relay wireless and relay TV, etc., will be shared between the two groups in the same ratio as cinema interests—namely, 56½ per cent Rank and 43½ G-B.

'In this connection,' says the statement, 'the approval of the ITA has now been received to Gaumont-British acquiring an interest in Southern Television Ltd., of which the Rank Organization at present owns one-third... Accordingly, under the policy referred to above, Gaumont-British becomes entitled to a beneficial interest of 43½ per cent of the Rank Organization investment at original cost. Any further acquisition of capital in Southern Television will be dealt with on the agreed 56½ per cent 43½ per cent formula.'

188 See Eagle Star Insurance Co. Ltd., page 84.

ters, been identified as an important segment of Mr Harold Drayton's financial grouping (two TWW directors are also linked with Eagle Star).

The directors' roll of the Rank Organization itself<sup>139</sup> reveals some interesting links, again with Mr Drayton. For Mr William Codrington and Mr Henry R. Moore are both directors of the Philip Hill Investment Trust Ltd.

This indirect association has been strengthened by the announcement that the Rank Organization and Rediffusion Ltd. intend 'to work together on plans for setting up a service of television by subscription...'140 which would cater for 'the desire of a minority for a programme offering an alternative, not merely an addition, to those of the BBC and ITA.'

The two companies seem to want to have it both ways, for they have said that if wire systems were adopted there would not be a need for a third authority 'nor the granting of extra channels to the BBC or ITA.'141

Unfortunately I did not know this when I saw Mr John Davis and, in spite of the relationships which have been built up between the companies (or were there to start with) certain latent antagonisms came into sharp focus when I questioned him.<sup>142</sup>

Jenkins: What do you think will happen in 1964, Mr Davis? Will Southern Television get its licence renewed?

Davis: I think you are jumping your fences too soon. What makes you think they will come up for renewal? After all, these decisions must be taken: the status of the BBC, the lineage, colour. The technical people must agree first. I understand that if we retain 405 lines, Band 3 could let in an additional network.

Jenkins: What do you think about the Public Accounts Committee's recommendations that there should be a levy on the contractors?

Davis: A levy would be no good. What we need is more competition; more networks in the metropolitan areas and, most important, an improvement in programme content.

140 Times report on 8 July, 1960.

<sup>139</sup> See Rank Organization Ltd., page 194.

<sup>&</sup>lt;sup>141</sup> Statement by the Chairman of Rediffusion Ltd., paraphrased in *The Times* on 8 July, 1960.

<sup>142</sup> On 22 March, 1960. This is an account which edits out irrelevancies.

Jenkins: Do you think there is likely to be any change before 1964?

I do not think there will be any changes until renewal. Davis:

There certainly should be no higher rents for facilities. It would be unfair to change this until the Act expires.

Jenkins: What effect has television advertising had upon the cinema

advertising; has this affected you?

It affected us at first; early on. But cinema advertisments are Davis: now going up. So, of course, are press advertisements as

advertisements generally become more acceptable.

Jenkins: What do you think of the Beaverbrook newspapers' criticisms?

I think it is sour grapes; we must take these criticisms in our Davis:

stride.

Jenkins: Do you think the BBC should have another channel?

Davis: The Government should decide. We can have one each or

have one more and share. I think it would be unsound for the BBC to go commercial, as you can't divide your loyalties in any walk of life; especially down the line. Everybody will

go for high ratings on the commercial side.

Jenkins: You are in one of the smaller contractors. I have heard that companies of your size are critical of the way the Big

Four's networking committee operates.

These criticisms of networking are true, but the profits are Davis: due to it. A small station like ours cannot afford to make programmes unless we are networked. This raises the whole question of the Act. The ITA does not have enough authority. It can only cajole and ask. There are apparently

strong contracts but with no real power.

Jenkins: What is your view on the Americanization of the programmes? Davis:

I believe that the American content is too high. One of the problems is that the major contractors got too much power

too quickly.

Jenkins: How do you see your responsibility for programme content?

Davis: Southern TV does not cater to the lowest denominator. Why do we take the network shows? We can't do those alone. We have to use their shows. No secondary contractor can

get enough network time.

Jenkins: What do you suggest?

Davis: Let us accept the network principle and then compete on the basis of equality. The system cannot function on the original basis that the Government planned. Why not let someone independent decide what should be networked?

Mr Davis' complaint was obviously deeply felt, and Lord Rank seemed to echo it in his 1959 Annual Report when he made this bitter-sweet statement about Southern TV:

'Whilst the earning capacity does not compare with that of the major commercial stations, it is, nevertheless, a highly profitable investment,'113

The first year showed a running-in loss of £84,000 but the second year brought a £1,208,000 profit and a 300 per cent tax-free dividend which amounted to £300,000.

Rank and Associated Newspapers increased their separate one-third holdings to  $37\frac{1}{2}$  per cent each, when the other major shareholder, Amalgamated Press, was acquired by the Mirror-Pic Group in 1959. Mirror-Pic were then given a choice by the ITA between its ATV and Southern TV interests. Not unnaturally, Mirror-Pic plumped for its 'Big Four' holding in ATV. 144 D. C. Thomson took the remaining 25 per cent.

The Television Act prohibits control of more than one company through common shareholdings. It neglects indirect influences. For example, Lord Cornwallis is a director of Albert E. Reed & Co. Ltd.: so is Mr Elias Birk of ATV and Mirror-Pic. Cornwallis also helps to guide the Royal Insurance Company: Colonel Angus, of Tyne-Tees TV, is on the local board of the 'Royal' there.

And last, probably the jewel of his boardroom positions, Lord Cornwallis sits as director of Barclays Bank Limited, which is connected to Lazard Brothers (of the 'Pearson' Group) through Mr A. D. Marris, who is a managing director there.

The 'Pearson' centre has already been discussed in the chapters on ATV and A-R, and an underlining of this information should hardly be necessary at this stage.

<sup>&</sup>lt;sup>143</sup> No doubt this gave pleasure to Mr Davis' Board, which includes Sir Leonard Ropner, M.P., who is Chairman of the Conservative and Unionist Films Association, and Hon. Treasurer of the Primrose League since 1952.

<sup>144</sup> A guess is that they got £1,250,000 for the old A.P.'s Southern TV shares.

The situation in Associated Newspapers is also interesting from the angle of connections with other companies. It is controlled by the Daily Mail and General Trust Ltd., and owns the Daily Mail, the Evening News, and the Sunday Dispatch (as well as a controlling holding in the Anglo-Newfoundland Development Company Ltd.).

Since 1932, a policy of acquisition of provincial newspapers has been pursued: seventeen have been taken over. Two national dailies, the *Sketch* and the *Graphic* were bought (from Kemsley Newspapers Ltd. in 1952), and a deal was done with the *News of the World*, which then took a 40 per cent interest in the *Sketch* and provided machinery facilities for the new company, 145 until 31 March, 1957, when their 40 per cent was taken back by Associated Newspapers. It is interesting to note the close collaboration between two great newspapers, who are influential in both TWW and Southern TV.

The ever-present Eagle Star Insurance Co. also has a holding, but this is only of 19,500 5s. Deferred shares. On the other hand, the Norwich Union Life Insurance Society has 30,000 (and also has almost 9 per cent of the voting stock in Anglia Television Ltd., plus almost 6 per cent of the non-voting stock). 146

The mighty Prudential Assurance Company has 37,405; it is also in partnership with Lord Rank in a £300 company (together with the builders, Richard Costain Ltd.) called Rank Property Development Ltd., which will develop a number of unprofitable cinemas on key sites into supermarkets and offices.

The Daily Mail and General Trust does quite well out of all its operations. It declared a 16½ per cent dividend for 1959-60,147 although the capital had been increased by a 2-for-25 scrip issue. The amount received from Associated Newspapers was £852,855.

In his speech to the Associated Newspapers 1960 Annual General Meeting, Lord Rothermere seemed to dismiss his TV interests very lightly, merely noting 'Southern Television, in which your Company has a 37½ per cent interest, has started paying dividends,' and 'The increase in trade investments reflects the further interest in Southern Television...' However, the Daily

<sup>145</sup> City Press, 5 August, 1960.

<sup>140 5,625 &#</sup>x27;A' Ordinary out of 99,000 issued, and 625 out of the 7,000 'B' and 'C' Ordinary shares issued.

<sup>147</sup> Year ended 31 March.

Mail has seemed to watch over the affairs of its running-mate. It ran a series of articles in 1960 including, amazingly, a poll which showed 79 per cent of those interviewed preferring an alternative programme to both the BBC and the ITA—but without the commercials.

What was the *Daily Mail* up to? Apparently its general line was to hammer away at the 'Big Four' who, it pointed out, have created a 'near-monopoly' situation in which the secondary contractors cannot get their programmes networked.

The controllers of Southern TV, who now project into 560,000 homes,<sup>148</sup> are sternly commercial. Their sales director made no bones about it in reviewing the first year's working. He wrote:<sup>149</sup>

Perhaps one should begin by saying that we feel very strongly that TV is no more and certainly no less than an important part of modern scientific and efficient marketing. If TV, as the most powerful of all means of communication, is to consistently play its part, it must be used in conjunction with all of the other complex parts of selling technique . . . selling in its widest sense.

'We wish our role as operators of a TV station to be that of providing our facilities for the TV aspect of marketing, at a cost which makes sense in the final analysis of profit and loss for a given product, and a service which enables the smallest advertiser and the most sophisticated to get maximum benefit with minimum delay and complication.'

No nonsense here about programme content or a sense of mission: he simply describes the hard-sell in terms of his medium.

It is not generally appreciated that Southern TV later also obtained the programme contract for South-East England (i.e., the area, mainly Dover, served by the satellite Hongham transmitter in Kent, as well as that earlier served by Chillerton Down). But the Rank Organization and Associated Newspapers have been bubbling over with frustration for some time; they want a bigger share in the business nationally, and intend to drive to get it.

It will be interesting to see how they try and accomplish this, and what links become weaker, or severed, during the struggle.

<sup>148</sup> February 1960.

<sup>&</sup>lt;sup>149</sup> Audio-Visual Selling: 28 August, 1959.

## Chapter Eight

#### TELEVISION WEST AND WALES LIMITED

Directors

Other Directorships

THOMAS RUPERT JONES

Leominster Printing Co. Ltd. (chairman) Berrow's Newspapers Ltd. Berrow's International Publications Ltd. Berrow's of Worcester Ltd.

Press Alliances Ltd.

SIR IFAN AB OWEN EDWARDS

Cwmri Urdd Gobaith Cymru

SIDNEY GILLIAT

Vale Film Productions Ltd.
John Harvel Productions Ltd.
Argonaut Films Ltd.
Grenadier Films Productions Ltd.
Hallmark Productions Ltd.
Launder Gilliat Productions Ltd.

SIR GRISMOND PICTON PHILIPPS

Eagle Star Insurance Co. Ltd., (local board)

HUW THOMAS EDWARDS

Gee & Sons Ltd.

Wales & Monmouthshire Industrial Estates

Mark Chapman-Walker

News of the World Ltd.

Independent Television News Ltd.

ALEXANDER G. JEANS

Liverpool Daily Post & Echo Ltd.

C. Tinling & Co. Ltd.

The Newsprint Supply Co. Ltd.

Alfred Edwin Francis

(Managing Director) was Old Vic Trust and Orchestral Concerts

Society Ltd.

#### TELEVISION WEST AND WALES LIMITED-cont.

#### Directors

Other Directorships

HENRY MORTON LLEWELLYN

Kirby Enterprises Ltd.

Davies & Co.

Lion Farmkit Ltd.

Monmouth Construction Ltd.

C. L. Clay & Co. Ltd.

#### EOIN CAMERON MEKIE

Airscrew Co. & Jicwood Ltd.

Airkruise Ltd.

Arbon Langrish & Co. Ltd.

Arbon Langrish (Pensions & Estate Duties)
Ltd.

Aquila Airways Ltd.

Britavia Ltd.

British Aviation Services (Engineering) Ltd.

Bullstrode Park Circuit Ltd.

Caledonian Club Trust Ltd.

Eagle Star Insurance Co. Ltd. (Sceptre board)

Eire Chemicals Ltd.

Hydrophobic Cement Ltd.

Hydrophobic Cement (Germany) Ltd.

Lancashire Aircraft Corporation Ltd.

Roadair Railair Ltd.

Rhodavia U.K. Ltd.

Silver Arrow Ltd.

Silver City Airways Ltd.

British Aviation Services Ltd.

United Carbon Black Ltd.

United Kingdom Chemicals Ltd.

Manx Airlines Ltd.

Manx Aero Engineering Ltd.

Pectosol Corporation Ltd.

Time & Tide Publishing Co. Ltd.

Uniment Ltd.

#### TELEVISION WEST AND WALES LIMITED—cont.

Directors

Other Directorships

EOIN CAMERON MEKIE—cont.

Yangtse Corporation Ltd.

Zambaboard Ltd.

Percy Jones

JACK HYLTON

Wonderful Town Ltd.

Reeves & Lampert Ltd.

Jack Hylton Film Productions Ltd. Jack Hylton International Ltd.

Task Hulton Tolovisian Dundun

Jack Hylton Television Productions Ltd. Jack Hylton Theatrical Properties Ltd.

Carlton Theatre Lessees Ltd. Pall Mall Travel Agency Ltd. Jack Hylton Corporation Ltd.

Jack Hylton Ltd.

Princes Theatre (London) Ltd.

Musical Plays Ltd.

Western Productions Ltd.

Le Voy Productions Ltd.
Anglo-American Musical Productions (Lon-

don)
Garrirights Ltd.

M. & G. T. Ltd.

Rt. Hon. Edward John Stanley Earl of Derby

Martins Bank

London & Lancashire Insurance Co. Ltd. Liverpool Investment Building Society

HERBERT SEBASTIAN AGAR

Rupert Hart-Davies Ltd.

RT. HON, VISCOUNT CILCENNIN OF HEREFORD

(Since deceased) Andre Rubber Co. Ltd.

Bestwood Co. Ltd. Silentbloc Ltd.

#### TELEVISION WEST AND WALES LIMITED—cont.

#### Directors

Other Directorships

Rt. Hon. Viscount Cilcennin of Hereford—cont.

General Reversionary & Investment Co. Ltd. Clerical Medical & General Life Assurance Society

#### SIR WM. EMSLEY CARR

News of the World Ltd.
Berrows Newspapers Ltd.
City Magazines Ltd.
Walton Heath Golf Club Ltd.
Eric Bembrose Ltd.

#### SIR ALEXANDER HYSLOP MAXWELL

Macmillan Maxwell & Co. Ltd.
British India Tobacco Corporation Ltd.
Ronson Products Ltd.
Knott Hotels of London Ltd.
Anglo-American Musical Productions (London) Ltd.
Musikart Ltd.
Garrirights Ltd.
Wonderful Town Ltd.
Jack Hylton International Ltd.
Jack Hylton Television Productions Ltd.
Jack Hylton Theatrical Properties Ltd.
Jack Hylton Ltd.
Princes Theatre (London) Ltd.
Musical Plays Ltd.

#### TELEVISION WEST AND WALES LIMITED

#### PROFITS\*

	1958 £	1959 ₽.
Trading Profit	873,105	1,134,665
Other Income	14,250	35,538
Total Profit	887,355	1,170,203
Depreciation	45,805	73,988
Directors	10,000	21,433
Auditors	525	1,733
Loan Interest	22,944	_
Tax	540,310	524,234
Net Profit	267,771	548,815
Dividend	145,725	280,550
Preliminary Expenses, etc.	11,211	-
Retained	110,835	268,815

<sup>\*</sup> Financial year ends 31 December

## CLERICAL MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY

Directors				
Sir John H. Hall				
(Chairman)				

Other Directorships

Brixton Development Co. Ltd.

Brixton Estate Ltd.

Employers' Liability Assurance Corporation

General Reversionary & Investment Co. (chairman)

Limmer & Trinidad Lake Asphalt Co. Ltd.

(chairman)

## CLERICAL MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY—continued

Directors

Other Directorships

SIR JOHN H. HALL-cont.

Midland Bank Ltd.
Midland Bank Executor & Trustee Co. Ltd.
Peninsular & Oriental Steam Navigation
Co. Ltd.

SIR ANDREW HOWELL (Deputy Chairman)

British United Provident Association (chairman)

Brixton Development Co. Ltd.

Brixton Estate Ltd.

Employers' Liability Assurance Corporation Ltd.

Foundry Services (Holdings) Ltd.

General Reversionary & Investment Co. (deputy chairman)

Lands Improvement Co.

Merchants' Marine Insurance Co. Ltd.

Mercury Securities Ltd.

Mineral Separation Ltd. (deputy chairman)

Oriel Property Trust Ltd.

Private Enterprises Investment Co. Ltd.

Shop Investments Ltd. (chairman)

Western Ground Rents Ltd. (chairman)

SIR SAM H. BROWN

Bank of Scotland (London local branch)
Bradlow's Stores Ltd. (chairman London transfer committee)
Debenture Corporation Ltd.

Employers' Liability Assurance Corporation Ltd. (deputy chairman)

General Reversionary & Investment Co.

Merchants' Marine Insurance Co. Ltd.

Sangamo Weston Ltd. (chairman)

Vickers Ltd.

## CLERICAL MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY—continued

Directors

Other Directorships

Rt. Hon. Viscount Cilcennin of Hereford

(Since deceased)

(See Television West and Wales Ltd., page 208)

Dr. E. R. CULLINAN

LORD EVANS

VISCOUNT HAMPDEN

Lazard Brothers & Co. Ltd. (a managing)

Borax (Holdings) Ltd.

Employers' Liability Assurance Corporation

Ltd.

Lloyds Bank (Foreign) Ltd. Metropolitan Trust Co. Ltd.

Rhodesian Acceptances Ltd., S. Africa Tobacco Securities Trust Co. Ltd. Union Acceptances Ltd., S. Africa

Lloyds Bank Ltd.

Dr. F. Dudley Hart

LORD HAZLERIGG

Lands Improvement Co. Ltd.

Alliance Economic Investment Co. Ltd.

VISCOUNT KNOLLYS

Barclays Bank Ltd.

Employers' Liability Assurance Corporation

Ltd. (chairman)

English Steel Corporation Ltd. (chairman)
General Reversionary & Investment Co.
Merchants' Marine Insurance Co. Ltd.

(chairman)

Vickers Ltd. (chairman)

SIR HENEAGE OGILVIE

# CLERICAL MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY—continued

#### Directors

Other Directorships

#### LORD ROCKLEY

Robert Benson Lonsdale & Co. Ltd.

American Investment & General Trust Co.

Ltd.

Foreign, American & General Investments Trust Co. Ltd.

Foreign & Colonial Investment Trust Co. Ltd.

Ilford Ltd.

Lonsdale Investment Trust Ltd. National Provincial Bank Ltd. Schweppes Ltd. (deputy chairman)

### SIR CAMPBELL STUART

Employers' Liability Assurance Corporation Ltd.

General Reversionary & Investment Co.

Times Book Club Ltd. Times Publishing Co. Ltd.

## TWW: Conservatives and Americans

TWW's FIRST managing Director was Mr Mark Chapman-Walker of the *News of the World*. Before this, he was Director of Research and Publicity at the Conservative Central Office. After he left, his job was filled by Mr Roger Simons, who had been secretary of the Popular Television Association.

I must report that Mr Chapman-Walker, when I met him in his News of the World office, pointed out to me that he no longer took a public part in politics. However, in reporting one of Mr Hugh Gaitskell's meetings during the 1959 General Election, Mr Robert Carvel studied the hecklers in a noisy audience at the Battersea Town Hall. He wrote: 150

"You ought to learn what Hailsham says about no mud-slinging," retorted Gaitskell.

'But that was off beam. For it turned out that Red Beard was a high priest of the Empire Loyalists. He gave courage to other hecklers and soon things were getting a bit rough. A lofty one at the back joined in.

'I was astonished to recognize Mark Chapman-Walker, one-time Chief Public Relations Officer of the Tory Party.

'He roared at Gaitskell on and off for a while in a good-natured way. But he gave up when the meeting got rough. He was obviously having no truck with Red Beard's lot.'

Within TWW the presence of prominent Conservatives has attracted a great deal of attention, for the company serves, in Wales, a region which is heavily Labour, both in sympathy and in the number of constituencies which return Labour members.

At the heart of Conservative influence is Chapman-Walker, who, before the capital structure was reorganized, 161 held 80,000 of the 120,000 is. deferred shares.

One journal reported, after noting that the final dividend for 1958 of 35 per cent on the reorganized capital was a 'true' 58½ per

<sup>150</sup> The Star: 24 September, 1959.

<sup>151</sup> Prior to TWW becoming a public company.

cent, that the gross profits were £808,000 for that year, which means earnings of more than 150 per cent.

How did Chapman-Walker do it?

Impact said of him:

'An unusual background as TV tycoons go—the City, army, politics, and newspaper management—has not proved a handicap. His friends are the first to admit that the years as personal assistant to Lord Woolton, and later P.R.O. at Conservative Party headquarters, have left their mark. The man's energy, unorthodoxy, showmanship and gift of organization reveal the Woolton touch. Appearance betrays an initially uncomfortable reminder of politics in general, and of the Conservative Central Office in particular.'

After making the cryptic comment 'Of course there have been changes. A few impetuous heads have rolled...', the article went on to make the point that TWW had extensive American help in its formative period. This apparently came from the National Broadcasting Corporation, which seconded one of its staff, Mr K. J. Myers, to advise in the early stages. Mr Myers then took over as General Manager 'on a yearly basis'. TWW admitted:

'It is in the field of operations that the extensive experience of the American company enabled TWW to build what is the most modern studio in Europe. The experiences gained by TWW in the planning of their operation have also been of considerable value in the further rapid growth of ITV in Great Britain. Originally, the agreement with the NBC involved the payment of a fee and now is on a very small percentage of profits.'152

This is a most interesting arrangement, as NBC apparently has no holding in the equity of TWW (there are now 52,050 founders shares of £1 each and 1,457,400 non-voting shares of 5s. each.:) Robert Benson, Lonsdale, the merchant bankers, hold 480,000 of the 5s. shares (noted by Mr Wilfred Altman in *Impact*). This institution has already been mentioned in connection with ATV. 153

It is connected, through a cross-directorship, with the Chairman of TWW, Lord Cilcennin, 154 who meets one of its men on the board of the Clerical Medical and General Life Assurance Society. He also finds there a director of Lazard Brothers, who

<sup>152</sup> Statement by publicity manager Frank Brown.

<sup>153</sup> See Chapter Three.

<sup>154</sup> Viscount Cilcennin has died since the writing of this chapter.

are involved in ATV, and representatives of the National Provincial, Barclays and the Midland Banks.

This is not the last link with ATV; the deputy chairman of the Clerical Medical, Sir Andrew Rowell, is a director of Mercury Securities, which controls S. G. Warburg. He is also with Western Ground Rents Ltd., as is the Conservative M.P., Mr J. G. Foster, q.c., of the Mercury Investment Trust.

Viscount Cilcennin is still best known as Mr J. P. L. Thomas, who had been First Lord of the Admiralty and Vice Chairman of the Conservative Party. He helps to direct Silentbloc Ltd., who manufacture anti-vibration devices. His company has made<sup>155</sup> 'an agreement to borrow £70,000 from the Prudential Insurance Company Ltd. and the Industrial and Commercial Finance Corporation'. This latter Corporation shares a director with the Philip Hill Investment Trust. His name is Mr H. C. Drayton, of British Electric Traction and Associated Rediffusion.

Other Conservatives on TWW's board include Mr Eoin Mekie, who has often been mentioned as a willing, though unadopted, Conservative parliamentary candidate, and is on the Sceptre board of the Eagle Star Insurance Co. Ltd., which has already been mentioned as providing a vague link between so many of the programme contractors, particularly with the giants ATV and A-R.

Sir Grismond Picton Philipps of TWW is a member of a local board of the Eagle Star Insurance Co. Ltd., and the habit of Philip Hill—B.E.T.—Eagle Star men in gravitating to commercial TV is worth noting.

An aristocratic Conservative in TWW is Edward John Stanley, Earl of Derby, who heads a rich northern political dynasty. Mr Randolph Churchill, when concluding a biography of his grandfather, wrote of the present Earl: 156

'It must be gratifying to all those who are not animated by spite and greed to reflect that in the face of the pressure of modern taxation his grandson John, eighteenth Earl of Derby, still lives at Knowsley where he upholds the standards of hospitality and public service inculcated in him by the example of his forebears. He never had the opportunity of serving in the House of Commons, though his

<sup>155</sup> Stock Exchange Year Book, 1958.

<sup>156</sup> Lord Derby: King of Lancashire, Wm. Heinemann, 1960.

younger brother Richard worthily maintains the family's Parliamentary tradition, having represented the North Fylde Division of Lancashire since 1950.'

He certainly does live up to it. The Daily Express gossiped: Lord Derby's £40,000 Piaggo airplane has already logged 6,000 miles, although he has had it only a month. He has made one or two trips to the Continent and several to various parts of England.

'Lord Derby lives at Knowsley Hall, near Liverpool. Yesterday he took his neighbours, Lord and Lady Sefton, to Doncaster races. They made the journey in forty minutes. Little satisfaction in that, though, if the horses don't behave themselves—and Lord Derby's Western Sky managed only third place in the Produce Stakes; Lord Sefton's Sunstart was third in the Doncaster Handicap.'

and, discussing the domestic staffs of the rich, added, 'Beating Mr Getty by one head is Lord Derby. At Knowsley Hall, near Liverpool, he has an indoor staff of fifteen, including a butler and three footmen.'

He could afford his racing loss. On 26 August, 1959, he acquired 43,793 shares in TWW Ltd. after the capital reconstruction. By 15 October, 1959, these showed a profit of £33,000: his holding had appreciated to £185,000 (in non-voting shares). A half-yearly dividend announced that day brought another £6,094 before tax.

This strange combination of right-wing politicians and a powerful American organization (which was criticized by Reynolds News, an unsuccessful bidder for the East Anglia contract) was one of the points I raised with Mr Chapman-Walker when I talked to him. 158

Jenkins: I understand there was an application for the licence—which you finally obtained—from the Co-operative movement. Have you any idea why you were preferred?

He said that he would not comment and thought that his organization was competent. The ITA had made the decision and had generally made good decisions. 150

- Daily Express: 10 September, 1959.
- 158 At his office in the News of the World.
  159 The choice of a syndicate including the News of the World was certainly an odd one. Mr Bernard Levin said of this journal (Spectator: 19 February, 1960):

'This remarkable newspaper had some three years ago a circulation

Jenkins: I am sure you know that the leading figures on TWW Board have been criticized because they seem in a number of cases to be linked with the Conservative Party.

The reply to this was that the point might be accurate as far as names were concerned, but that the 1954 Television Act clearly laid down that ITV must be non-political.

He said that Roy Thomson of Scottish TV was a Conservative, but now that he had bought Kemsley Newspapers he had said he would support the Labour Party in some areas. The proof of the pudding was in the eating, and there had been no complaints of bias.

In fact, a leading Welsh trades unionist, Mr Huw Edwards, was a board member, although he thought that he had now joined the Nationalists.

of about 8½ million—easily the biggest ever achieved anywhere in the world. There was no secret of the way in which this gigantic total was built up; it was by feeding, week by week, the British public's apparently insatiable desire to read reports of cases of sexual crime, and civil cases with a sexual theme heard in the courts. The tastes of the proprietor and editors have been extremely catholic; no section of the aberrant community has been overlooked or underplayed. Here a rape, there a buggery, and everywhere copious details-keyholes, instruments and all-of the wide range of sexual deviations practised in Britain. A credulous reader of the News of the World might have gained, over the years, an impression that half the population of the country spent its time interfering with the infant members of its own or the opposite sex, while the other half occupied itself with seducing its neighbours' spouses and by the use of rather recherché methods at that.' He reminded his readers of the publicity which preceded the Diana Dors serial 'I've Been a Naughty Girl':

"I have a criminal record," she writes. "I've been had up for housebreaking. I have modelled in scanties and less. I have loved men I would rather now forget".

'You can read about the secret love life of her first husband; of the mirror in the ceiling; of the startling guest room.

'It's a fabulous rip-roaring life that she tells. . .

"I hide nothing in my story," she says, "I write it because I am currently a wife and about to become a mother..."

Mr Levin added:

'The last sentence may appear a non sequitur, but the News of the World seemed confident that its readers would not notice.

The New Statesman said, on 13 February, 1960:

'... it is known in Fleet Street that the News of the World was unable to advertise the Diana Dors memoirs on ITV.'

He was correct in the latter conjecture. Mr Huw T. Edwards (until 1953, the North Wales Regional Secretary of the Transport and General Workers Union) resigned from the Labour Party early in August 1959, gave up the leadership of the Labour Group on the Flintshire County Council, and left the aldermanic bench. He joined Plaid Cymru, the Welsh Nationalist Party, and may now have an even more unified attitude to the question of an English Conservative-dominated company, advised by Americans, 'having the equivalent of an English cinema' in Welsh hands. As the Welsh Nationalists say, and I firmly agree with them:

'If there were but one nation and one culture in the United Kingdom there would be little room for criticism. But the one-twentieth of the population which lives in Wales composes a separate nation, with a culture of its own.

'The method of counting heads results in injustice and danger to this small nation of two and a half million people.

'Television's potency has increased, is increasing and will increase much more. It threatens the gravest injury to the Welsh nation by diluting and even destroying its most cherished traditions. The maintenance of the national language is made immeasurably more difficult. . . . How much is the life of Wales worth to us? Probably the vast majority of our people would agree that it is worth at least the amount necessary to establish and maintain an adequate Welsh television service.

'It is not fantastic to compare it in importance with the national university and even the whole structure of formal education. Compared with these and other national services, the large capital outlay is, in fact, small—it is in the neighbourhood of the cost of new college buildings, of two new large schools or bombing-planes. When spread over twenty years it can be seen that it is well within the nation's resources.

'The fact is that it must be faced if Wales is to live. It is an imperative need. A Welsh government would take it in its stride, together with the national theatre and opera house that we so badly need.

'It is so much more than a medium of entertainment, and even of education, for Wales. It could do more than any other single <sup>160</sup> TV In Wales by Alderman Gwynfor Evans, Chairman of Plaid Cymru.

institution to maintain and stimulate the language and intellectual vitality of the Welsh people, and to ensure that the heritage of millennia will not be eroded away.'

This is what the ITA is effecting, imperceptibly but corrosively; and in Wales more than anywhere else, the deplorable impact of a profits drive upon a national cultural situation can be seen.

Obviously, I had to query how the presentation of the News of the World's views affected TWW.

Jenkins: How would you describe the politics of your paper?

Chapman-Walker said flatly that the *News of the World* was non-political; personalities of all parties wrote for it. After all, he added, Bevan was one of our contributors.

But television was different as it carried with it a public service responsibility which was divorced from politics. He thought there was a need for balance in television which was different from being a newspaper proprietor: newspapers were not subject to licence. But commercial TV was, and the ITA had the job of ensuring that there were no editorials in programmes and no shying away from this.

In his view the only politically conscious contractor was Sidney Bernstein, who had controversy (but balance too) which tended to give a certain complexion to his programmes.

Playing with a Conservative and Unionist diary, he remarked that his News of the World contract required him to be non-political and surmized that the presence of two 'so prominent' Conservatives in TWW might even have made the programmes a little dull. This could hardly be said of some News of the World features.

In the first months of 1960 were published some semi-autobiographical fragments by Miss Diana Dors entitled 'I've Been a Naughty Girl'. 161 Of this, the Press Council later commented that:

161 These were the opening paragraphs of the first episode in the Diana Dors series in the *News of the World*, 31 January, 1960):

'At 16 I learned to play a card game called "Strip Jack Naked". The rules are simple. You put a pack of cards on the table and everybody cuts. Those who draw court cards become strippers and watch. If you draw a Jack you let yourself be stripped. There were no half measures at my parties. Like flags being struck after a battle, off

"... while defending the right of the Press in the contemporary world to deal in an adult manner with matters of sex, is deeply concerned by the unwholesome exploitation of sex by certain newspapers and periodicals ..."

#### It wanted to record its views that:

'... such treatment is calculated to injure public morals especially because newspapers and periodicals are seen and read by young persons.'

#### It went on to remark that, in its opinion:

'... recent articles in the News of the World and the Sunday Pictorial giving accounts of the sexual adventures of Diana Dors and Dennis Hamilton . . . sank below the accepted standards of decency and the Dors and Hamilton articles, in particular, contained material that was grossly lewd and salacious.' 162

came the sweaters, bras and panties. In fact, it was a case of off with everything—except the lights.

'One starlet got down to essentials but refused to allow her nylons to be removed. Perhaps she remembered the decorum she had been taught at the Rank Charm School. Anyway, nobody had any serious objections.

'Another girl—she was from a West End model agency—stood with her back to us after she was stripped and nothing would persuade her to turn round. This was considered cheating. But I think she was really shy and I risked being unpopular by slipping a wrap over her bare shoulders.

'The others dubbed her a spoilsport and struck her off the party list. I don't think she would have come back anyway. There must have been a cardsharper in the house, judging from the number of times I drew the Jack.

'Funny how the young men at my parties never seemed to tire of the same scenery.

'The biggest kick I got was to see a new boy blush when he uncovered a striking piece of anatomy. Mine, for instance.'

<sup>162</sup> It is only fair to record what was said on a television programme on 27 July, 1960, when M.P.'s questioned six editors of national newspapers, and which was reported in *The Times* the following day in this passage:

'When it was suggested that the story published by the News of the World about the life of Miss Diana Dors was "grossly lewd and salacious", Mr Stafford Somerfield, the editor, replied that he thought it

In conclusion, the Council stated:

'It is all the more to be deplored, therefore, that the newspapers named should now have permitted their standards to be debased to a level which is a disgrace to British journalism.'

To return to politics.

Jenkins: Do you think a Labour Government would affect your company?

His thought was that no Government ever took away from the electorate the things that it loved.

Jenkins: Mr Roy Thomson made some eminently quotable remarks to me on this theme....

It seemed that Thomson was too quotable.

Jenkins: Do you think you will get your licence renewed?

It seemed that, although Mr Chapman-Walker felt that the licence should, commercially speaking, be treated as having a limited life (he compared it to a mining operation), there would also be residual assets and a reasonable right to renew.

We talked about profits, too, and his view was that if people risked their money they should get a reward, although he admitted that the corner had been turned for all the companies by the time that TWW had gone on the air.

He thought I was 'about right' when I said:

'Some of the other programme contractors have told me that they expect a big increase, but that they will maintain a profitable position.'

Finally, we talked about the future.

Jenkins: Who do you think should get Channel 3?

His policy approach was different from the other businessmen.

<sup>&</sup>quot;a fascinating story". The series had formed only part of the paper; he thought people had got it out of proportion. Agreeing that the paper contained more references to sex and crime than others did, he said "sex is an important way of life".

<sup>163</sup> The People was also slated for its Errol Flynn series.

He would not mind a third channel for the urbanized area, plus co-operation between the ITA and BBC for provincial and rural areas, with an amendment to the BBC Charter to permit it to accept advertising. But he was opposed to discussing third channels at this stage; the present chopping of the week into segments should be terminated and—before the discussion became confused—an increase in daily viewing hours should be considered.

This is obviously a major revenue point for TWW, which already operates in more than 600,000 homes and could increase its output with ease and economy, attracting a disproportionate return.

At no time was TWW director Mr Jack Hylton mentioned in our political discussion, although 'Jack is a good Labour man from humble beginnings in Bolton . . . '164

'Since the days when he was a 10-year-old vocalist with a concert party on Rhyl sands, Jack Hylton has gradually turned into a somewhat uneasy grand old man of show business.

'From "The Merry Widow" and "Salad Days", to the Crazy Gang and "No Orchids for Miss Blandish", his particular flair has always been for backing what is everlastingly popular.

'Now 67, he is avuncular, energetic and one of the great powers in the London theatre.' 165

Hylton, although with TWW, also held a contract to provide light entertainment to A-R. However, he terminated his contract with that company in April 1960.

In one of the Labour Party political programmes during the General Election, Hylton said he had always been a Labour man and was now one more than ever. <sup>156</sup> It is a paradox that, following Labour's defeat in the 1959 General Election, his shares (he holds 120,766 non-voting shares) went up from 37s. 9d. for the 112,585 he acquired on 26 August to 53s. 3d. by 15 October. This means a £87,000 profit within seven weeks, and a new price tag of around £320,000 for his holding.

In addition to this, he received a half-yearly dividend cheque for  $f_{10,566}$  and shared a dividend of  $f_{4,515}$  with Lord Derby

<sup>161</sup> Daily Express: 1 October, 1959.

<sup>&</sup>lt;sup>165</sup> Sunday Times: 24 January, 1960.

<sup>166</sup> He was reprimanded by the ITA for this, for no director or officer of a contracting company is permitted to take sides in a party political broadcast.

on the 24½ per cent of TWW's voting shares which they hold. 167
This splendid state of affairs for the Labour man and his aristocratic Conservative associate continued into 1960.

The interim dividend on the non-voting shares was lifted to 40 per cent but, as *The Times* remarked:

'... owing to the 50 per cent capitalization issue made earlier this year it is equivalent to 60 per cent on the old capital, compared with 35 per cent paid twelve months ago. Moreover, the directors stress that the present dividend "has been declared at a rate which they anticipate will be much closer to the rate of the final dividend than was the case last year". This seems to indicate that the final distribution will be at least the equivalent of last year's 75 per cent. This assumption will be strengthened by the rise of the company's pre-tax profits during the first half of the financial year from £518,000 to £724,000.'

This abnormally high dividend rate seems to reflect Chapman-Walker's thesis that TWW is a 'mine' with, possibly, a limited life. It seems that Viscount Cilcennin was also hinting at this in his speech to the Third Annual General Meeting of the Company. He said: 188

'Your Board of Directors also have in mind the possibility of diversifying the company's interests and of widening the base of an enterprise such as we control. A number of projects are in course of investigation and shareholders may be sure that their interests will be given foremost consideration.' 169

TWW is not an ambitious station. In spite of Hylton and Bryan Michie 'a prominent BBC and Hylton veteran', the total hours of locally produced shows are not much beyond the minimum ITA

<sup>187</sup> Daily Express: 16 October, 1959.

<sup>158 21</sup> April, 1960, at Pontacanna, Cardiff.

<sup>&</sup>lt;sup>189</sup> This will, no doubt, give pleasure to the Imperial Tobacco Company, which has already started to diversify its interests and has a substantial shareholding in TWW (as well as, apparently, in one of its principal competitors). At the 1959 Annual General Meeting, the Chairman of the Company, Lord Sinclair of Cleeve, when announcing an increase of £2.9 million in trading profits over the previous year's figure said:

<sup>&#</sup>x27;As you will observe from the Profit and Loss Account, Trade Investments produced nearly 20 per cent of our total income before tax.'

stipulation of 15 per cent, i.e., a little more than an hour a day from a seven-day station.

Is not this extraordinary from a station serving a region so rich in local culture? It seems to show an absolute preoccupation with profits, even if this means almost complete reliance upon the Americanized network shows.

The American companies who originally screened some of these programmes have been open to many criticisms.

In the wake of Charles Van Doren's confession that his quiz successes had not been completely unaided, NBC took a full page advertisement in leading newspapers, 170 signed by the Chairman of the Board and the President of the Corporation, in which they said:

"... today ... [television] ... falls under the shadow of some ugly words—deceit, fraud, mediocrity, irresponsibility ... Where does the shadow come from? It is cast, over many months past, by a few men who poisoned a few defunct programmes in a single narrow segment of programming ... We at NBC do not make light of quizshow skullduggeries. We have never condoned them nor taken part in them. We do not deny we erred in trusting those who deceived us. Against this corruption, we have acted vigorously on our own and in unstinted co-operation with all official agencies ...'

There were obviously grave inadequacies in NBC's policing of its operations which prompted it to say:

'NBC is the first network to have set up a permanent organization within its ranks devoted to the planning and execution of whatever new measures are needed to assure the highest ethical standards throughout our operations. We will crack down on improper practices wherever they may appear, in programming or advertising.'

One presumes that this new 'permanent organization' was called into existence after it had become clear that the abuses existed. Possibly it was created because NBC was needing a suitable premise from which to declare that the 'reprehensible conduct of a few individuals' should not be

'cause for such drastic measures as government control, creation of a "czar" or revamping our American system of broadcasting.'

<sup>&</sup>lt;sup>170</sup> These extracts are from the New York Times: 20 November, 1959.

NBC was basically unrepentant, and, although the statement declared

"... we are dedicated to improving a schedule that already sets the medium's standard for programme balance..."

#### it went on

'we also reject the easy course of hinting about grandiose schemes for television's Utopia,'

which seemed to indicate that things would remain much the same.

NBC might be reminded of Ruskin's point: 'Not only is there but one way of doing things rightly, but there is only one way of seeing them, and that is seeing the whole of them.'

It seems unaccountable that a company serving Wales and the West should have such an adviser, although, if Scottish TV can be owned by a Canadian, perhaps anything goes.

The question remains: how does the ITA square these influences with the assurances given in Parliament about truly regional programme companies?

#### Chapter Nine

### ANGLIA TELEVISION LIMITED OWNERSHIP\* AND PROFITS

Capital	Issued
In 'A' Ordinary shares of £1 (non-voting)	99,000 £
In 'B' Ordinary shares of £1	6,100
In 'C' Ordinary shares of £1	4,900

Each 'B' and 'C' share carries one vote. 'B' shares can only be held by persons or companies which are resident in East Anglia.

#### Shareholders

There have been only very minor changes since the original allotment of shares in 1958. Holders of 150 or more voting shares are as follows:

	$\overline{Numb}$	er of shares	held
	A'	'B'	' <i>C</i> '
D. A. R. Albery, London†	1,350		150
East Anglian Daily Times Ltd.	4,257	473	
East Midland Allied Press Ltd.	1,618	202	
Major Aubrey Buxton	2,250	250	
Daily Farmer Ltd.	1,800	200	_
Roderick R. MacPherson, Kings College			
and Anor.	2,250	250	_
Manchester Guardian & Evening News Ltd.	20,700		2,300
May Gurney & Co. Ltd.	5,625	625	
Norfolk News Co. Ltd.	4,860	540	_
Norwich Union Life Insurance Society Ltd.	5,625	625	_
Remus Films Ltd.	10,350		1,051
Romulus Films Ltd.	10,350		1,051
Marquess of Townsend	6,021	869	051
Wyndham Theatres†	1,350	_	

There are 63 persons and companies (mainly persons) holding less than 150 'B' Ordinary shares each.

#### Profits

The Company made a loss of £231,898 in the period 11 September, 1958, to 31 October, 1959. The first programme was broadcast on 27 October, 1959.

- \* As at 21 March, 1960.
- † It is reasonable to link these together. Wyndham Theatres are controlled by the Albery family.

#### WESTWARD TELEVISION LIMITED

Capital	Authorized
'A' Ordinary shares of £1	11,950
'B' Ordinary shares of £1	7,950
'C' Ordinary shares of £1	230,000

Only 'A' and 'B' Ordinary shares have voting rights, and 'A' shares can only be issued to a person who is at the time of issue a resident of Cornwall, Devon, Dorset or Somerset.

A list of shareholders has not yet been filed.

#### TYNE-TEES TELEVISION LIMITED

Directors	Other Directorships
J. A. JELLY	
(Managing)	Hadrian Publications Ltd.

#### LORD LAYTON

Daily News Ltd. (vice chairman)
Economist Newspaper Ltd.
National Mutual Life Assurance Society
Newsprint Supply Company
Hadrian Publications Ltd.

#### VISCOUNT RIDLEY

Consett Iron Company (deputy chairman)
Head Wrightson Co. Ltd.
Lloyds Bank
Moor Line Ltd.
R. & W. Hawthorn Leslie & Co. Ltd.
Rock Building Society Ltd. (chairman)
Yorkshire Insurance Co. Ltd.
Greenwood Rawlins Ltd.
Blagdon Engineering Co.

PROFESSOR ERIC JOHN ROSS of Durham University, Eaglesham Professor of Education

#### TYNE-TEES TELEVISION LIMITED—continued

#### Directors

#### Other Directorships

SYDNEY BOX

Feature Film Facilities Ltd.
London Independent Producers Ltd.

Sydney Box Investment Trust Ltd.

Triton Publishing Co. Ltd.

Welbeck Films Ltd.
Dubarry Films Ltd.
Plays (Sydney Box) Ltd.
Sydney Box Films Ltd.
Insignia Films Ltd.

Remfield Films Ltd.

Col. Edmund Graham Angus George Angus & Co. Ltd. (chairman)

Newcastle-upon-Tyne Permanent Building

Society

Newcastle Gateshead Water Co.

Moor Line Ltd.

North East Electricity Board (member)

Lloyds Bank (local board)

Royal Insurance Co. (local board)

Northern Conservative Club Buildings Ltd. Regional Council Federation of British

Industries (member)

LAURENCE J. CADBURY

George Cadbury Fund Ltd.

J.J.C. Fund Ltd.

Cadbury Holdings Ltd.

Newspaper Properties Ltd.

Bank of England

British Cocoa & Chocolate Co. Ltd. (chair-

man and managing)

Cocoa Investments Ltd. (chairman)

Daily News Ltd. (chairman)

E.M.B. Co. Ltd. (chairman)

Nation Proprietary Co. Ltd.

Bournville Tenants Ltd.

Inky Way Publications.

#### TYNE-TEES TELEVISION LIMITED—continued

Pease & Partners Ltd.

#### Directors

#### Other Directorships

SIR RICHARD ARTHUR PEASE

Normanby Iron Works Co. Ltd. (chairman) Skinningrove Iron Co. Ltd. The Owners of the Middlesbrough Estate Ltd. (chairman) Cleveland Car Co. Ltd. Darlington Building Society Carliol Investment Trust Ltd. (chairman) Tyneside Investment Trust Ltd. Royal Insurance Co. (local board) Transport Paper Ltd. (chairman) Heenan & Froude Ltd. Heenan Group Ltd. Fielding & Platt Ltd.

Hill (Charles) of Bristol Ltd. Cleveland Trust Ltd. N.E. Improved Dwellings Ltd.

Cleveland Bridge and Engineering Co. Ltd. Industrial Plant Co. Ltd.

ERNEST GRANVILLE FAIRBURN

Darlington Chemicals Ltd. British Refrasil Co. Ltd. Chemical & Insulation Co. Ltd. Ipscol Ltd. Joinery & Insulation Ltd. Martin & Storey Ltd. S. T. Taylor & Sons Ltd. Dust Control Processes Ltd.

Northern Mercantile & Investment Corporation Ltd.

Darlington Chemicals Inc. (president)

Hadrian Publications Ltd.

Teeside & South West Durham Chamber of Commerce (president)

Northern Council of Federation of British Industries (deputy chairman)

#### TYNE-TEES TELEVISION LIMITED—continued

Directors

Other Directorships

ERNEST GRANVILLE FAIRBURN—cont.

Northern Branch of Institute of Directors (vice-chairman)

DERRICK ALLIX PEASE

John Govett & Co. Ltd.
Basinghall Investors Ltd.
Basinghall Securities Ltd.
J. G. Insurances Ltd.
Tyneside Investment Trust Ltd.
Carliol Investment Trust Ltd.
Industrial Plant Co. Ltd.
Hadrian Publications Ltd.

CLAUDE CHESSLER DARLING

Vaux Associated Breweries Ltd. North Eastern Breweries Ltd. James Swandon & Co. Ltd. Royal Insurance Co. (local director) Hadrian Publications Ltd.

GEORGE BLACK

(Solicitor)

George Black Ltd.
Black Bros. Television Ltd.
Beta Productions Ltd.
Paprika Ltd.
Allerton Productions Ltd.
Kavanagh Productions Ltd.
Hadrian Publications Ltd.

ALFRED BLACK

George Black Ltd.
Black Bros. Television Ltd.
Beta Productions Ltd.
Paprika Ltd.
Kavanagh Productions Ltd.
Durham Entertainments Ltd.

#### TYNE-TEES TELEVISION LIMITED

#### OWNERSHIP AND PROFITS\*

## Capital 290,000 shares of 4s. each

	Number of
Shareholders†	shares held
Daily News Ltd.	60,000
Northern Mercantile & Investment Corporation Ltd.	50,000
John Govett & Co. (Nominees) Ltd.	25,000
Sidney Box	20,000
Blacks Enterprises Ltd., 22 Half Moon Street, W.I. (a)	12,500
C. C. Darling, Darlington (b)	10,000
Paprika Ltd., 22 Half Moon Street, W.1. (a)	10,000
George Black Ltd., 22 Half Moon Street, W.1. (a)	10,000
Alfred Black, 22 Half Moon Street, W.1. (a)	3,000
George Black, 22 Half Moon Street, W.1. (a)	3,000
R. Boys-Stones and J. C. F. Simpson, Newcastle	7,500
Black Bros. Television Ltd. (a)	6,500
Peggy Darling, Darlington (b)	6,500
Beta Productions Ltd., 22 Half Moon Street, W.1. (a)	5,000
Durham Entertainments Ltd., Sunderland	5,000
Allerton Productions Ltd., 22 Half Moon Street, W.I. (a	2) 5,000
David Darling (b)	2,000
C. C. Darling and Peggy Darling (b)	4,000

- (a) Total Black holding appears to be 55,000.
- (b) Total Darling holding is 22,500.

#### Profits

In the first accounting period from 12 February, 1958, to 30 April, 1959 (broadcasting began on 15 January, 1959) the Company made a total profit of £91,951 and a net profit of £6,251.

- \* As at 5 August, 1959.
- † There are fourteen other holdings of 2,500 shares or less.

#### DAILY NEWS LIMITED

#### Return 1958 (filed 9 July)

Mortgage issued charged on unsecured stock 1961-64 of Tyne-Tees TV (up to £100,000 plus premium of 5 per cent) in November 1958.

Main Shareholders	st Pref.	2nd Pref.	Ordinary
George Norman Cadbury			
and others	29,387	25,000	1,065,000
John C. Cadbury	~	922	18,333
M. C. H. Cadbury	5,605	661	29,000
Mrs Mary Breeze	1,000	922	8,333

Directors

Other Directorships

LAURENCE JOHN CADBURY

(See Tyne-Tees Television Ltd., page 226)

SIR EGBERT CABDURY

British Cocoa & Chocolate Co. Ltd.

Lloyds Bank

Bristol Hippodrome Ltd.

E. M. B. Co. Ltd.

Claremont School Ltd. Chesterfield Place (Clifton) Ltd.

Keith Prowse & Co. Ltd.

LORD LAYTON

(See Tyne-Tees Television Ltd., page 226)

JOHN FITZGERALD EGERTON
COOPER --

GEORGE B. CROSFIELD

British Periodicals Ltd. Friends Trust Ltd.

Plough Agency Ltd.

British Radio & Television (Publishers) Ltd.

Friends Publications Ltd.

#### POWER BEHIND THE SCREEN

#### ULSTER TELEVISION LIMITED\*

Directors

Other Directorships

RANDAL, THE EARL OF

Antrim

Ballycastle Mines Ltd.

ANGELA, THE COUNTESS OF

Antrim

Sledmere Stud Co. Ltd.

BETTY E. Box

Beaconsfield Films Ltd.

H. A. COURTNEY

Northern Ireland Trailers Ltd.

SIR FRANCIS E. EVANS

CATHERWOOD

Derrance & Co. Ltd.

Cdr. Oscar Henderson

Belfast Newsletter Ltd.

J. PATRICK HERDMAN

Moygashel Ltd.

George B. Mackean

Northern Ireland Trailers Ltd.

WILLIAM B. MACQUITTY

Mrs Marcia H. Mackie

JAMES L. MONTROSE

JAMES L. MORTON

\* As at 12 June, 1959.

#### ULSTER TELEVISION LIMITED-continued

Directors

Other Directorships

EDMUND R. O'BRISCOLL

SIR LAURENCE OLIVIER\*

L.O.P. Ltd.

#### BERNARD McGuckian

\* Sir Laurence has resigned to join the board of a pay-as-you-view TV company under the Chairmanship of Field Marshal Lord Slim. Mr Roy Thomson has said of this type of viewing that it is 'certain' to come, adding that 'colossal' films would be made for slot television with millions of pounds of cost and profit being returned in one night against several years in the conventional cinemas. (Daily Worker: 14 September, 1960.)

# The Littler Fleas: Tyne-Tees, Westward, Ulster, Anglia and Those in Gestation

"The interests of the Box family extend in many directions. They have a 10 per cent share in the television station in Newcastle.

""Can't lose on that," says Sydney Box, his smile becoming so broad that the rest of his features are practically pushed off his face. "We started with 290,000 viewers in January, now we've got 420,000." Interview with MR THOMAS WISEMAN, Evening Standard, 7 August, 1958.

THE next most important company is Tyne-Tees TV. It has a heavyweight board membership for a private limited company which had until recently a capitalization of only 290,000 4s. shares. Even now the capital is only £100,000. The Daily News Ltd. (owners of the News Chronicle<sup>171</sup>) is the largest single shareholder,<sup>172</sup> followed by the Northern Mercantile and Investment Corporation Ltd., the Black Brothers theatre interests and the Darling family of Darlington.

But the directors reflect other significant interests: three of them (Colonel E. G. Angus, Sir R. A. Pease and Mr C. C. Darling) are connected with the Royal Insurance Company.

Sir R. A. Pease and Mr D. A. Pease also help to direct the Carliol Investment Trust, in concert with Mr R. J. Dickinson (he is also a director of the Rock Permanent Benefit Building Society).

Colonel Angus and another T-T TV director, Viscount Ridley, are both on the directorate of the Moor Shipping line, which is led by Viscount Runciman; he is a director of the dominating Peninsular and Orient Steam Navigation Company Ltd., which, with assets exceeding £250 million, has under its leadership representatives of the five biggest British joint-stock banks. P. & O. have a

<sup>172</sup> See Tyne-Tees Television Ltd., page 226.

<sup>&</sup>lt;sup>171</sup> Until its sale to the *Daily Mail* in 1960. See Daily News Ltd., page 231.

substantial holding in the British Aviation Services group of companies (including Silver City Airways and Aquila Airways). A TWW director, Mr Eoin Mekie (mentioned on page 214) is a director of this group of companies.

Additionally, Lazards the merchant bankers within the 'Pearson group' (see page 110 for their connections) have been, for many years, financial advisers to P. & O. and supply their Mr A. D. Marris to the board of that company.

Lazards also offered the shares of Tyne-Tees Television Limited for sale on 24 September, 1960.

The Daily Express noted:

'. . . Against the £3,650,000 valuation of the shares, its net assets are £314,000.

'The lofty share value is accounted for by the profit forecast of "not less than £900,000", which Tyne-Tees expects to make in the present trading year.

'In the document offering £730,000 worth of Tyne-Tees non-voting "A" shares for sale, Sir Richard Pease warns that the licence from ITA expires on 29 July, 1964.

'But to allow for the undoubted risk that when commercial telly licences are renewed the terms may not be nearly so favourable to the contractors, Tyne-Tees shares are being sold to yield £8 105.11d. per cent on a dividend forecast of 110 per cent.

'Existing shareholders in Tyne-Tees have sold some of their 2s. shares to Lazards at 25s. a go. They will be offered to public investors at 25s. 9d. apiece. But after the deal film producer Frank Sydney Box will still own shares worth £200,000 plus, while impresarios George and Alfred Black will have a joint stake approaching £490,000.

'A valuation of £600,000-plus is put on the Tyne-Tees shares held by Daily News, run by the Cadbury family.

'And the Campbell family of industrialists will own over £500,000 worth through their Northern Mercantile and Investment Corporation.'

The terms of the offer included this interesting point:

'The Company has entered into an Agreement with Granada TV Network Limited whereby for a period from 15 January, 1959, to 29 July, 1964, Granada will supply or procure to be supplied to the Company any or all programmes transmitted by Granada TV Network Limited, Associated Rediffusion Limited, Associated Television Limited and ABC Television Limited.'

Another board member, Viscount Ridley is also a director of the Yorkshire Insurance Co. Ltd., as is Sir Edwin Herbert of Associated-Rediffusion.

But the Royal Insurance Company men seem to constitute a key influence in T-T TV. The 'Royal' itself is a tightly-woven financial-political cocoon which embraces the I.C.I. chairman, Mr S. P. Chambers, Lord Woolton (former Conservative Minister and Party Chairman), and representatives of the Baring Brothers Bank and the *Daily Mail* and General Trust, which has already been discussed in connection with Southern TV.

Another 'Royal' man, Lord Cornwallis, is chairman of the paper firm of Albert E. Reed, which has Mr Elias Birk of *Mirror-Pic* and ATV on its board.

The second political centre in T-T TV is a Liberal one around Lord Layton and Mr L. J. Cadbury (of the chocolate manufacturers and the Bank of England), who are both Directors of Daily News Ltd.<sup>173</sup> Another Daily News director, Sir Egbert Cadbury, helps direct the Keith Prowse & Co. ticket agency: the managing director of this firm, Mr Peter Cadbury, is a leading figure in Westward Television and, according to the *Observer*, 'had a hand in the *News Chronicle*'s syndicate for Tyne-Tees Television'.

This Liberal Party-News Chronicle grouping is linked with ATV through the common membership on the board of the *Economist* of Lord Layton and Mr R. P. T. Gibson (whose connections with the 'Pearson' companies have already been discussed).

What are all these important people doing in T-T TV?

After all, Viscount Ridley also has the job of chairing the Consett Iron Company (whose shares have the highest yield of any steel firm), which is now embarking on a £28 million first-stage expansion programme. The other directors seem heavily engaged too.

Is it because even in the first accounting period (from 12 February, 1958, to 30 April, 1959) the infant company made a total profit of £91,951 (nett: £6,251), although it did not even go on the air until 15 January, 1959?

178 See Daily News Ltd., page 231.

It is pretty clear that any new secondary contractor simply plugs into the network, gets a glittering profit and makes more money for the 'Big Four' by spreading the overheads on their more expensive shows.

But what of the quality of T-T TV's locally-originated programmes?

Are they greatly influenced by the film maker, Mr Sydney Box?

It has been written of him:174

'I believe he has every expectation of retiring as a millionaire. United in their blatant commercialism, the Box family is in a much better position than anyone who actually loves the cinema to hold out against the even greater commercialism of the big television companies.

'It is perhaps significant that Sydney Box sees "No Love for Johnnie" as a romantic success-story.

'As I read it, it was a bitter, cynical story of a Labour M.P. who sacrifices his beliefs and principles in order to advance himself. At the end of the book he is appointed Assistant Postmaster-General. When I asked Sydney Box whether he would keep the cynical flavour of the book he replied: "Cynical? But I don't think it's cynical at all. Him getting that job in the end . . . it's success . . . it's romantic."

One man, Mr Peter Cadbury, seems unique in having helped with the engineering of two successful bids to the ITA. First it was Tyne-Tees, then South-West England.

On 14 October, 1959, the ITA inserted this notice in The Times:

'The ITA proposes to ERECT TRANSMITTERS in DEVON and CORNWALL to give coverage to South West England during the first half of 1961. Persons interested in being appointed as programme contractors for this area should apply as soon as possible to the Secretary of the Authority, 14 Princes Gate, S.W.7, for details. The closing date for the receipt of completed applications is Thursday, 19 November.'

The Observer, at the time, in reviewing the jostling entrants, said:

<sup>174</sup> Thomas Wiseman, Evening Standard: 7 August, 1958.

'Cadbury, though not himself a West Country man, has recruited a glittering syndicate. He has the Lord Lieutenants of Devon and Cornwall—the shy, bucolic Lord Roborough, of the Royal Scots Greys, and Sir Edward Bolitho, the banker, hunter and expert rhododendron-grower. He also has the chairmen of the Devon and Cornwall County Councils, Sir George Hayter-Hames, the Barclays banker, and Sir John Carew Pole, the Lloyds banker and expert camelia-grower.

'Others in the astonishing team of eighty-five are Sir John Heathcoat Amory, the Chancellor's brother and chairman of the family textile firm at Tiverton—one of the few large West Country industries; Lord Netherthorpe (formerly Sir James Turner), the president of the National Farmers' Union; Daphne Du Maurier, with her romantic house at Fowey; and representatives from the china clay, fishing, hotel and farming industries and even a man from Falmouth Docks. The Cadbury gang might seem unbeatable; but there are others who are perhaps more subtly impressive.'

Subtle they might have been; unsuccessful they were. Even though the losers included the Astor family, the New Statesman and the Spectator.

The Observer's 'Mammon' admitted that, 'even' his own newspaper had 'at an early stage . . . toyed with the idea of joining or forming a syndicate.'

'Mammon' gently boosted the Astor team by noting it had 'no Lord Lieutenants, Earls or even Barons: but 60 per cent of its shareholding will come from West Country people'. He ventured '... there are even some who suggest that Sir Ivone and Sir Robert are getting tired of Earls.'

He was wrong. Mr Cadbury and his 208 supporters won. He then invited Mr Emile Littler<sup>175, 176</sup> to join the board and become Programme Controller. Mr Littler did so after being asked by the ITA, oddly enough, not only to resign his directorship of Moss Empires Ltd. but also to sell his shareholding in it.

In view of all the other interlocks that can be shown to exist, Mr Littler seems to have been dealt with rather punctiliously. Is this because his name was not in the list originally advanced to the ITA?

<sup>175</sup> See Moss Empires Ltd., page 115.

<sup>176</sup> Times report, 11 February, 1960.

Mr Cadbury said early in 1960 that '... about 15 per cent of the programmes would originate from Plymouth'. 177

No one expected anything different: the profits come from conforming to the programming patterns of the 'Big Four'-directed network.

The same situation exists in Anglia TV, where control seems diffuse, <sup>176</sup> with the Manchester Guardian and Evening News Ltd. holding the biggest single block of stock. The penchant of the ITA for titles again seems to come to the fore here: Anglia's chairman is a Norfolk landowner, the Marquess of Townsend. It does seem odd that over one million leaflets <sup>170</sup> distributed by his company to announce their opening date should have the dominating 50 per cent of their area on one side taken up by an American cowboy squinting down the barrel of a Winchester: one wonders what on earth this had to do with an East Anglian regional appeal.

It really is quite remarkable, too, how many noble families, banks, insurance companies and Conservative politicians there are among the programme contractors. (As another small sidelight, Theatre Ownership in Britain identified the chairman of Wyndham Theatres, which has a holding in Anglia, as the stockbroker Sir Irving Albery, who was Tory M.P. for Gravesend until the tidal wave of 1945: Mr Donald Albery also has a personal Anglia shareholding.)

The pattern seems similar in Northern Ireland, where the 'amiable, slightly absent-minded landowner', 180 the thirteenth Earl of Antrim, is the Chairman of Ulster Television (another director is Miss Betty Box, sister of Mr Sydney Box of Tyne-Tees TV). Perhaps this explains why the Crazy Gang did not get the Aberdeen contract.

More seriously, it seems strange that the only syndicate connected with the Labour Movement should have failed. Reynolds News made a bid for the East Anglian station. The newspaper was originally approached by an enterpreneur who needed a newspaper as part of his syndicate-image.

Subsequently, Lord Alexander of Hillsborough, a former

<sup>177</sup> Same Times report but not a direct quotation from Mr Cadbury.

<sup>&</sup>lt;sup>178</sup> See Anglia Television Ltd., page 225.

<sup>179</sup> To a population of 2,131,950.

<sup>180</sup> Observer: 20 September, 1959.

Labour Minister and Chairman of the Co-operative Press, was named as actively concerned, together with Woodrow Wyatt, Anna Neagle and Herbert Wilcox.

Fourteen East Anglian local Co-operative retail societies were brought in to support the bid, a screen advertising and filmlet-producing company joined, and the prospective debenture holders included the blue-chip merchant banking firms of Morgan Grenfell, Hambros, Robert Benson and De Stein.

I asked the manager of the enterprise why he thought it failed. Mr Eric Hoskins replied, 'We had about twenty-five minutes with the Authority members: they saw three the same day. But, you know how it is, I thought after the first five minutes we were out, although our people answered the questions in a first-class way. The Chairman asked why we thought we should have it; the local Societies' 33.35 per cent share was pointed out to him, and our strong local connections. One member asked what we would do for womenfolk and children in our programmes. Anna Neagle replied and she was very good.

'Why didn't we get it? I've heard so many reasons: personal, political, and the rumour that the *Manchester Guardian* had tried for Tyne-Tees earlier and just missed.'181

Of course, if the Co-operatives had been successful they would have been in the same boat as the other smaller regional station-operators. They would, inevitably, have had to produce a maximum-minimum of 15 per cent of local features and take the network offerings (and the profits).

Time and Tide had a good deal of very frank information from Anglia on this question which was related in a special feature on 24 September, 1960. After describing the programmes, it went on:

'All this combines to make a varied and predominantly intelligent output, but it is alas only 15 per cent of Anglia's total screen-time. Fifteen per cent is in fact the minimum local contribution as stipulated by the ITA.

"There seems to be some doubt what this 15 per cent refers to," said Michael Norman. "We are permitted to be on the air for 50 hours, but this does not include religious or schools programmes, or Outside Broadcasts. That takes the total nearer to 60. Our 7½-hour

<sup>181</sup> Answers to questions, 11 August, 1960.

origination is based on the first set of figures. We could easily screen 15 per cent of the 60, by simply showing a couple of hours of cricket or something, but it hardly seems worth doing."

'The missing 58 per cent comes down the pipe from London or, more accurately, from Associated-Rediffusion as it is with that company of the Big Four that Anglia happens to have its contract. The payment to A-R is made on the basis of hours and material, and Anglia's total revenue.

'Anglia will take approximately £2 million in its first year of operation. Of this perhaps 15 per cent will be profit, and so a bank overdraft which stood at £250,000 when the Station opened will have been easily cleared. Agency and Sales Commission take another 15–20 per cent, and the ITA are duly presented with 15 per cent. Mr Norman estimates that 20 per cent travels to A-R, and the remainder is spent on the upkeep of a Station which in all employs 270 people, 40 of them Sales staff. "We are under-staffed, under-equipped and under-budgeted" added a few dissenting voices.

'Although it is Anglia's boast that they were the first Company to refuse certain ill-worn shows, they remain steadily faithful to the Network transmissions during peak viewing-periods. Could they not blaze a trail here, and in place of some of the more unspeakable shows ("Easy Money", "Disc Overies", etc.) record and screen some of the other regions' intelligent late-night programmes....

"I mean, you have got to try and lead public taste, haven't you?"

"Oh yes, you've always got to be one jump ahead."

'Try elsewhere.

"If we took out 'Messmates' and put in a couple of these offbeat programmes, then the ratings would drop, and sooner or later the advertisers would say 'Anglia's figures don't come up to scratch on such-and-such a night' and they'd cut us out of their schedules. You couldn't go it alone."

"And we exist on what these blasted TAM ratings show."

'In the first few months they showed that Anglia viewers were disturbingly unnatural. They were still watching more BBC (55 per cent). They now conform.

"People feel that Anglia TV really is their TV," said Mr Norman, "They do; mostly.

"'My favourite Anglia programme?" asked one woman. "Oh I don't think you can beat 'The Archers'."

"The trouble with your Anglican TV," added a neighbour "is that rubbish they get from London"."

The system that has now grown up superimposes a national monopoly grouping created by A-R, ATV, Granada and ABC on top of the area monopoly guaranteed to each station until at least 1964.

This seems to violate, every day, Section 5 (2) of the 1954 Television Act, which required the ITA to do 'all they can' to secure 'adequate competition' between programme contractors, 'independent of each other both as to finance and control'.

And each week the TV Times documents the charge!

Of course, the lucky companies do not care. They even expect to be rewarded by extra licences in the 'second round' of commercial TV stations (plus sound radio perhaps).

But how can the ITA remain so complacent?

#### Chapter Ten

MEMBERS OF INDEPENDENT TELEVISION AUTHORITY\* Directors

Other Directorships or Posts

SIR IVONE KIRKPATRICK British Holiday Estates Ltd. Thos. Cook & Son Ltd. (Chairman)

(Financial Adviser to Sudan Government, SIR JOHN CARMICHAEL (Deputy Chairman) 1955-59)

W. B. Beard (General Secretary of United Patternmakers' Association)

SIR SYDNEY CAINE (Director of the London School of Economics since 1957)

Hitchman's Dairies and associated companies I. ALBAN DAVIES (Welsh member of (chairman) the ITA) Lillywhite Frowd Ltd.

HON. DAME FRANCES (General Secretary, National Federation of Women's Institutes, 1929-59) FARRER

MRS ISOBEL GRAHAM-BRYCE (Not in Who's Who)

SIR LUCIUS O'BRIEN Northern Ireland Housing Trust (chairman)

(Professor of History of Fine Art, Edinburgh Professor D. Talbot University) RICE

\* As at 26 July, 1960.

#### The Independent Television Authority and its Protectorates

'I was born at Wellington, India, in the year of the Diamond Jubilee and my early childhood was passed in the shadow of Queen Victoria, for my mother had been a Maid of Honour for many years and was devoted to the Queen.'

SIR IVONE KIRKPATRICK (Chairman of the ITA), in The Inner Circle

What do the members of the Independent Television Authority think about the present state of affairs? They are charged with ensuring that the most competent and representative programme contractors are selected. They have to police the Act, which includes the responsibility of ensuring that no concern has a financial interest in more than one of the programme companies. In earlier chapters the view has been advanced that there are many cross-directorships and links between the companies. Between them there are other corporations which serve to link them up to a degree in which, at the very least, an empathy can be said to exist. It is already well known that this sort of loose mutually affectionate relationship can be as effective, in terms of control inside the United Kingdom's mixed economy, as the ownership of 51 per cent of the equity.

It would obviously be putting it too strongly to say that the intention of the Act is completely vitiated. But Clause 5 (2) of the Television Act of 1954 still reads as follows:

'(2) It shall be the duty of the Authority to do all that they can to secure that there is adequate competition to supply programmes between the number of programme contractors independent of each other both as to finance and as to control.'

What does the phrase 'independent of each other both as to finance and as to control' really mean?

It is generally known that the Drayton interests which control

Associated Rediffusion took a lien on the future profits of Granada TV in return for assistance in Granada's early days in television when 'they went in on a wing and a prayer'.

Granada, in turn, are closely linked with TWW and perform major services for them. Are these violations of the Act? The answer must be that this, formally, is an open question. The ITA obviously knows about it and has not, apparently, dissented. No doubt the Authority will have had good advice on this question from its lawyers.

But the *intention* of the Act seems not to have been observed or, alternatively, interpreted in a surprisingly narrow way.

I went to the Chairman of the Independent Television Authotity, Sir Ivone Kirkpatrick, and talked with him about some of these issues: 182

Jenkins:

Sir Ivone, as you know there is tremendous public interest in the commercial TV programme contractors: people are interested in how they work and, inevitably, who

Sir Ivone Kirkpatrick has had a distinguished career. He was Permanent Under-Secretary in the Foreign Office from 1953 to 1957, when he retired. He had been High Commissioner for West Germany for three years in the early 1950's, and between 1933 and 1938 had held the vital and sensitive post of First Secretary in the British Embassy at Berlin. The Observer commented on this period in 1953 (15 November):

'One junior member of the Embassy Staff, also Irish, but an Ulsterman, resigned in protest against the Chamberlain policy. This probably never occurred to the fundamentally orthodox Kirkpatrick as a possibility. In any case, at Berchtesgaden, Godesberg, and at Munich, in the series of historic interviews with Hitler, he interpreted for Mr Neville Chamberlain and did not revolt;'

and later remarked on his post as High Commissioner:

'His great success in Germany was with Dr Adenauer, with whom he found a genuine affinity. Both are devout Catholics; both enjoy the rigours of politics and subtleties of diplomatic manoeuvre; both excel at putting their ideas across.'

It was therefore very interesting to talk with him about the work and policies of this new public corporation which he chairs. A small, greying, urbanely-articulate personality, he seemed as willing to hear my views as to express his own.

182 In an interview on 28 June, 1960: this is not verbatim as certain verbal redundancies have been deleted.

owns and controls and manages them. I have done the usual straightforward searches at the Company Registry, researched the directors and their directorships and looked for links. As well as this, friends of mine have examined the share registers. It seems to me that there are a great many direct or indirect links between the companies. As some of the shareholdings are cloaked under nominee names it may be that there could be common ownership. I would like to know whether, in order to administer the Act with precision, you conduct company searches of your own and if you are interested in cross-directorships, making as they do for some degree of common control if not common ownership. May I have your views on this?

Kirkpatrick: There could not be even the transfer of one share in these companies without our approval. After all, our intentions would be stultified if a group of persons were to secure a contract and then sold out the next day at great profit to Mr Clore. In at least one case we had the power to void the contract if this sort of thing happened. Rothermere had 10 per cent in Associated-Rediffusion and was also involved in Southern: he had to choose. We know the identify of the owners of the voting shares but we are not so interested in loan stock and non-voting shares. [He gestured to files on his desk.] I have the application for the North-East Scotland contract here: there is great competition to get in on the ground floor and we want to keep control in the hands of the persons to whom we award the contract.

(Note:-Sir Ivone was obviously referring to Section 4 of the Television Act, 1954, which decreed:

'No contract and no interest in a contract between a programme contractor and the Authority shall be assignable either in whole or in part without the previous consent in writing of the Authority.'

Tenkins: I have found that a number of the directors of programme contracting companies are linked with Eagle Star Insurance Company. What is your view on this?

Kirkpatrick: We have no attitude to cross-directorships and are interested only in controlling interests.

Jenkins: But aren't they important?

Kirkpatrick: We are in the managerial society now.

Jenkins: —but what if the manager is the owner as well?

Kirkpatrick: —the managing director is a most important man and he

shapes the company. This question of cross-directorships is not one of principle but of qualitative judgment. You can't raise thirteen effective companies without cross-directorships. What if you had one Legal and General Assurance director with his connections? If they all came under one hat we would object. Although we could have had just one company based in London serving the

country; there is no statutory objection to this.

Jenkins: Do you pay any attention to the politics of the companies?

Some of the newspapers associated with them are highly political. And what about the Conservative Party com-

plexion of TWW?

Kirkpatrick: And is ATV more left-wing because of the Mirror-

Pictorial interest? Should one discriminate against party politicians? We have Labour Party supporters in Bernstein and Fletcher.... As long as the output is impartial we are

satisfied. We want a balance.

Jenkins: What about the profit situation? Do you think the Public

Accounts Committee was correct in suggesting that you should rent out your facilities at the going price? You may know of Mr Christopher Mayhew's plan for advertising revenue to go direct to the Authority which would

then buy its programmes from whoever wished to sell?

Kirkpatrick: I think there is nothing in between what we have now and the BBC. We don't want any quiz scandals here, although you know we had a little difficulty recently. I am a great

believer in a strong hierarchical chain of command: you have to adhere to or change the Authority. If we were to be told to rent out our facilities at the going price, this would be a thoroughly vicious situation, where a job-lot of citizens sit around the table here and decide the level of profits—and imposition of tax which is the prerogative

of Parliament. Associated Rediffusion might make 5 mil-

lion pounds profit. In Ulster, it might be £40,000.

Should we decide this?

Jenkins:

But surely you could avoid this problem by inviting tenders where the firms could decide their own profit level without raising this other point of taxation principle?

Kirkpatrick: I am thoroughly against this because we need programmes of high quality and the big companies would dominate. You might get quite unfit persons. City gents with big money-bags would get them all: now we can dictate terms to the applicants.

Jenkins:

With respect, it seems to me that it could be said that the city gents are enshrined in the two London companies. What do you think will happen in 1964 when the present licences will expire? Will any attention be paid to the existing investments of the companies? Could they be institutionalized into public service concerns?

Kirkpatrick: By then they should have substantial reserves and we should give them competition. Their rates are based on audience and would be slashed; but they would stay in business. There would be great public dissatisfaction if they did not, even Mr Mayhew would not do that if he were Prime Minister—he would lose the next election.

Jenkins:

Who do you think should have the additional channel or channels?

Kirkpatrick: If the BBC has a new channel it would mean an £8 licence. My hunch is that the people wouldn't want to pay this.

Jenkins:

I have heard complaints from the secondary contractors about the networking committee and the fact that the big companies tend to dominate them. Is this justified?

Kirkpatrick: The difficulty is the monopoly structure—the smaller companies' complaints are quite justified, but look at the position of Associated Rediffusion: they have just spent a million pounds on Wembley and want to use their facilities to the full. The Authority is not entitled to interfere with networking. It is a vicious circle, the 'Big Four' companies have control and therefore the smaller companies do not equip themselves and end up by being unable to produce network programmes. The new committee which is being set up by the Government should examine this. The other difficulty is that artistes will not go out of London; although you must remember that the 15 per cent of local matter generated by the provincial programmers is as much as the whole of the BBC output.

Jenkins: But is it right that four private citizens should decide which sort of networked programmes should be seen by almost all our citizens?

Kirkpatrick: It is not as bad as that: some companies will refuse the networked show but they obviously could not afford, on their own, 'Sunday Night at the Palladium', 'Emergency Ward 10,' or 'Wagon Train'.

Jenkins: What do you think should be done?

Kirkpatrick: They think I am mad here, but I would zone the country North and South or East and West and let them network only within the zone, with ITA giving dispensation in the case of a truly national event.

Jenkins: Is the newspaper-TV partnership a healthy development: doesn't this concentrate control of mass-communications too much?

Kirkpatrick: They don't have much control—look, does the Guardian have control in Anglia? In Granada?—no, no! They would not tolerate 'What the Papers Say'. Henderson in Ulster? Yes. ATV—perhaps, although this company is basically impresario. The newspapers are equipped to help. Should one reject massive help?

Jenkins: But isn't this an anti-democratic trend, with the sources of information becoming concentrated in fewer hands?

Kirkpatrick: You must face the alternative. If you exclude the newspapers, would you also exclude the film makers and theatre people? They are opinion-formers, too.

Jenkins: What do you think of the division of functions between the bigger companies, with one concentrating on schools' programmes, another on plays, and so on?

Kirkpatrick: It isn't just the large companies. For example, ABC do religious programmes which are excellent. The churches and the bishops like us because we have a Religious Advisory Committee and they know they can knock us about. The BBC has this too, but they also have a Religious Department which we do not have.

Jenkins: It is worse than I thought: being dictated to by Christians.

Do you have any special views on company control apart

from what we have discussed?

Kirkpatrick: You must see Bernstein, he is a real character. I have

known him for twenty years.

Jenkins: But what about control, what about the Americans in ABC

for example?

Kirkpatrick: The Americans tried to sell out, you know, but we

wouldn't let them.

Jenkins: Have you got any final comment?

Kirkpatrick: You must remember that the ethos of a company doesn't

flow from the structure of its Board.

The programme companies all like the ITA and speak highly of its officers. But this attitude is not universal. The *Express* newspapers lay down a brisk barrage of criticism. Mr Alan Watkins wrote in December 1959:

'Have you ever switched the TV set off in disgust and wondered whom you should really blame for an appalling commercial television programme? . . . The responsibility for all commercial television shown in this country rests squarely on one body of people—the Independent Television Authority. . . . Sir Robert Fraser and Sir Ivone Kirkpatrick have never appeared to be vigilant guardians of the public's interests. They have seemed more like public relations officers for Mr Parnell and Mr Grade. . . . What is the remedy? There is a very simple one. The Government should sack Sir Ivone and Sir Robert and replace them with men who will be the real masters of the television tycoons. Not their servants.'

The main criticisms of the Independent Television Authority by the Express group are that the profits of the programme companies are wholly excessive, that the Independent Television Authority is not fulfilling its obligations under the Television Act to ensure that there is nothing in the programmes which 'offends against good taste and decency or is likely to encourage and incite to crime', and the fact that advertisements no longer seem to be inserted in accordance with the requirements of the Act, which says that they must not appear 'otherwise than at the beginning or the end of a programme or in natural breaks therein'.

There is also the more recent criticism (to which this book subscribes) that the owners of the programme companies are so closely linked together (without formally owning a piece of each other's company), and are controlled so tightly by the 'Big Four', through the network committee, that a new monopoly has been created which is not truly responsive to public policy.

It is clear that Sir Ivone Kirkpatrick is a vigorous defender of the present situation, does not criticize the profit levels of the companies, and believes that the Act is being properly administered.

In this, he is supported by his Director-General, Sir Robert Fraser, who wrote in 1959:183

'... then came the full acceptance by advertisers of the new medium and their growing proficiency in its use. In the train of this confidence came the financial success, solid and growing after the half-murderous losses of 1955 and 1956: solid and growing to a point at which everyone's mind was turning, as the year ended, to the best ways and means of throwing the doors of Independent Television open to wider competition in a free society.'

What exactly did Sir Robert mean? On 18 September, 1959, he was writing: 184

'I wish that in this brief review of the future plans of the ITA, I could say something about the prospect of competitive services in existing areas. But nobody knows what the decision on the allocation of the remaining Band III channels will be or when it will come. The Authority will have ample technical and financial resources immediately available if it is given the job of operating the second service which seems essential if Parliament's original intentions about competition between programme companies are to be wholly fulfilled.'

It would seem from this that he took the view that competing commercial services was the answer, but that would, inevitably, mean a shortfall in profits. But the profits would still, nevertheless, be extremely high.

The Authority itself published<sup>185</sup> in January 1959, its refusal to <sup>183</sup> Commercial Television Year Book and Directory, 1959, in a Preface

dated August 1958.

184 Audio-Visual Selling.

<sup>186</sup> Reported in The Times: 7 January, 1959.

accept a recommendation from the House of Commons Committee on Public Accounts, which argued that the rentals paid by programme contractors for broadcasting facilities should be arrived at in open competition and should have specific relationship to their capacity to pay.

They had commented in their report on the ITA accounts for as early as 1957-58 that the annual trading profits before tax for the programme contractors were more than £20 million.

The Authority's answer also posed a question:

'Should the Authority regard itself as in part an agency seeking to make a levy on company profits in order to earn an extra surplus available for payment into the Exchequer, or should it, as a public corporation operating under an Act of Parliament, and providing a public service, fix its income only in the manner directly required by the explicitly stated financial requirements and instructions of that Act—that is to say, to cover all its costs, make provision at the same time for the whole of its capital expenditure from income and, in addition, create a Reserve Fund?'

They plumped for the latter view, arguing that the ITA was a 'very prosperous public corporation' with an income three times greater than its expenditure. It took the view that the requirements of the Act had been amply fulfilled but said, strangely, and with little justification:

'As the Authority's charge for the services it renders already exceeds the commercial cost of them by 200 per cent the profit levels of independent television could not be said to be the result of under-charging by the Authority...'

The ITA produced the defence that the contracts had been made to the end of the life permitted to the Authority by Parliament. They contained no break-clause but only provisions for increased rentals which had resulted in a situation where 'the increases are relatively small and of little significance in relation to the profits now being made by the programme contractors'.

It argued against the Committee's view that the three remaining contracts should be offered to the highest bidder, stating:

'With all due respect, the Authority feels it must again submit as its own considered opinion that the introduction of selection by com-

petitive tender would be radically inconsistent with the discharge of its duties and functions under the Act. The very foremost of these is the selection, from the many qualified applicants, of the companies that appear to offer most, not in money but in public responsibility, in talent and ability, in a lively sense of the social gains that can accrue from good television, and, in the case of regional companies, in the reality of their local associations with the communities they will be serving. There seems no natural connection between these qualifications and the amount of money that a group might offer.'

This is an astonishing statement, in view of the now well-known situation that secondary contractors are dominated by the 'Big Four' and only make substantial profits if they are screening 'Big Four' shows.

The unpredictable choices of the ITA were satirized in *Punch*, under the heading 'We Gotta Duke': 186

'The extraordinary collections of people who apply to the ITA to be chosen as Programme Companies are turning up to brighten the newspapers again. The rum assortment of names generally balances the aristocratic, the ingenious and the plutocratic, as, I suppose, companies of Elizabethan adventurers or monopolists did. Soon there may be other wildly composed groups bidding for other profitable public services, perhaps a bid for the Light Programme from Sir Malcolm Sargent, the Marquess of Salisbury, Tommy Trinder, Sir Herbert Read and Mr Charles Clore. In time the financiers will be scraping the bottom of Who's Who.'

Sir Robert Fraser, in giving evidence before the Committee on Public Accounts, had declared his view that the introduction of a 'test of length of purse' could be dangerous. He alleged that 'competitive tendering might lead to over-bidding, to a defective programme performance and financial difficulties being caused by a company promising to pay more than they could afford'.

He was supported in this by Mr John Spencer Wills, Chairman of Rediffusion Limited, which largely controls Associated Rediffusion.

<sup>186 28</sup> October, 1959.

<sup>187</sup> The Times: 17 October, 1959.

He observed that:188

'... the principle of competitive bidding in almost any commercial activity was sensible. But, he asked, on what basis could the renewal of the programme contract with ITA be put up to tender in 1964? Suppose [he added] that Associated Rediffusion did not succeed in the bidding, what was to happen to its studios, to Television House, and to its staff of 1,100? He could not see how it would work out if the company did not get the contract. He thought, moreover, that under a system of competitive bidding, because people who had to pay a great deal for the concession had to make it up from somebody, they would probably make it up from the viewer by providing less expensive programmes.'

This extremist statement was apparently an open warning that those companies now in commercial television expected an automatic renewal of their contracts in 1964. Incredibly he went on to say:

"... in the negotiations with ITA during 1954 and 1955 they told the Authority categorically and emphatically that they did not want a contract at all unless it ran for the full period of eight years and three-quarters and left them with the whole of any profits which might be made."

### He also disclosed that:

'The Authority made a bargain, which, in the circumstances as they were, the contractors considered, in several respects, to be onerous in its terms.'

## The Times editorialized:180

'On the other hand a system fashioned by legislation and organized by a statutory body is proving enormously profitable, and the profits are being taken at present by independent enterprises. As the programme companies are restricted, so they are protected by official regulations. Their accounts suggest that things have been made too easy for them. The Public Accounts Committee has advanced one idea for making the field more competitive. In spite of some drawbacks it is worth close consideration. And it may conjure up others.'

The Times: 30 July, 1959.
 The Times: 29 July, 1959.

Not surprisingly, the Express newspapers were also critical. In a leader, the Daily Express commented: 190

'Parliament is indignant at the terms on which commercial television operates. These were laid down before ITV began its operations. Now it is making profits of more than £20,000,000 a year.

'So, quite properly, the Committee of Public Accounts now calls on the Government to make TV contractors pay more. The Government should go ahead as advised.

'And from its increased revenue bring down the price of the viewer's licence fee.'

It also urged the then Chancellor of the Exchequer, Mr Heath-coat Amory, to pay attention, in his 1959 Budget statement, to 'the vast revenues that are flowing into the coffers of the Independent TV companies'; 191 and added that if the Chancellor decided to make some special levy on those profits he would only be following precedent. 192 They concluded that 'he should press on with a tax that would hurt only a few—and only hurt them very little'.

Sir Tom O'Brien was saying the same thing in an interview, 122 reported a week later, when he said that he wanted to 'switch some of commercial TV's 'fabulous' profits into workers' pockets'. He went on to say that 'the profits now being earned by commercial TV are fantastic when related to the capital investment; I don't see why they should be hoarded by a few with complete disregard to what happens to other sections of the entertainment industry'.

The Observer<sup>104</sup> developed this point in a different way, in a comment which started with the words 'The very high profits earned by the commercial television companies in the past two years have made them obvious targets for plunder,' but went on to make a central point:

'What is really needed is for the companies to recognize that they have got two publics to please. One is the rather select public of those

<sup>190</sup> Daily Express: 4 March, 1959.

<sup>191</sup> Daily Express: 4 March, 1959.

<sup>&</sup>lt;sup>192</sup> The leader referred to the Entertainments Tax paid by the cinema industry since 1947.

<sup>193</sup> Daily Express: 10 March, 1959.

<sup>194 2</sup> August, 1959.

who hold their shares and want to maximize their profits; the other is the viewing public, who do not know exactly what they want.

'It is the duty of the ITA to stand up for the unexpressed needs of the viewing public and to ensure that even at peak viewing times (which only means convenient times) there are some high-level, intellectually stimulating programmes. If this is not done, and programming is thought of solely in terms of profit, the public will surely suffer in the short run, and in the long run the programme companies, having failed in their duty, should then not be surprised if they were deprived of their franchise and their profits.'

But the Observer did not discuss the responsibilities of the Authority in this matter. Sir Ivone Kirkpatrick, at a ceremony of stone-laying for Associated Rediffusion's £r million Studio Five at Wembley, was reported as saying that when people criticized they should remember that television was attempting to do something that had never been done before—present high-quality productions nine hours a day. 195 He said that:

'While there are no grounds for complacency, there is no reason to feel apologetic, or ashamed of TV. Television companies feel very anxious of their responsibility.'

He was broadly supported by Sir Robert Fraser<sup>196</sup> when, early in 1960, he was addressing the Manchester Luncheon Club:

'Every person of common sense knows that people of superior mental constitution are bound to find much of television intellectually beneath them. If such innately fortunate people cannot realize this gently and considerately and with good manners, if in their hearts they despise popular pleasures and interests, then, of course, they will be angrily dissatisfied with television. But it is not really television with which they are dissatisfied. It is with people.'

This might be held to be some abdication from the responsibility for policing the programme contractors' output. Mr Christopher Mayhew, M.P., certainly believes the ITA to be feeble in its actions. In a guerrilla action in the House of Commons he tried to restrict advertising in a tactic described by the *Daily Herald* thus:

'Associated Rediffusion was accused by TV personality Christopher

<sup>195</sup> Audio-Visual Selling: 15 May, 1959.

<sup>198</sup> The Times report.

Mayhew last night of "the most public piece of systematic looting in British history".

'By systematically exceeding the average of six-minutes-in-an-hour advertising between the peak times of 7 p.m. and 10 p.m., he claimed that Associated Rediffusion was "making nearly £2 million a year".

"Taking the period from 5 p.m. to 11 p.m. and including advertising magazines, it is making £4 million a year," he told the Commons.

'Mr Mayhew, who is Labour M.P. for Woolwich East, said all the programme contractors—Granada, ATV and TWW as well—were "making high sums by keeping programme times short and advertising times long."

'He was introducing a Bill to limit advertising to six minutes in any one hour.

'From 27 April, to 3 May, in the London area advertising averaged 8½ minutes an hour between 5 p.m. and 11 p.m. Three times there were hours with more than 20 minutes' advertising. No M.P. spoke against Mr Mayhew's Bill. Unanimously he was given permission to go ahead.

'Everyone knew that the opponents of the Bill would quietly strangle it later on.

'The Bill now joins his earlier effort to ban unnatural breaks—blocked every time it had a chance to progress.'

This was not his first attempt to deal with this problem. He and Mr Donald Chapman, M.P., met the Chairman and Director-General of the ITA on 29 January, 1959<sup>197</sup> to discuss the practice in relation to 'natural breaks', the 'manufacturing' of natural breaks, the amounts of advertising allowed in programmes and the ITA's conception of its role in relation to the programme contractors.

Mr Chapman pointed out that 'it was clear that a maximum of six minutes per hour was intended and it would be mainly between programmes' (in fact, the Act specially 'forbids the interruption of programmes by advertisements'). He asked 'how it is that the ITA interpreted the Act so differently from the impression

197 A transcript exists of this interview, and all material quoted in this section derives from it.

given in Parliament.... Or was it that the ITA just left the matter to the contractors?'

The two Members of Parliament were asked 'when it was contended this abuse began' and replied 'there had been a crescendo since the beginning'. To which Sir Ivone Kirkpatrick declared that 'the precedents which had grown up over the past years were now a material factor', and suggested that in saying the 'Act was being flouted', both Mayhew and Chapman were 'assuming a mantle of infallibility'.

He went on to describe the ITA attitude to breaks, saying they 'would regard as unnatural any breaks in news bulletins, or in the middle of discussions or in the course of football games; but breaks would not be unnatural between stages in quiz games, or between acts in plays, or at half-time in football matches or between rounds in boxing matches. The Bronowski type of lecture programme was marginal in his view.'198

Mr Mayhew sharply queried the application of this policy to feature films. 'He instanced the repeated interruption of the film "The Treasure of the Sierra Madre', which he stated was a classic film of suspense, designed to sustain an atmosphere of tension from start to finish. He also asked about the Authority's arrangements for monitoring.'

Sir Ivone replied, oddly, 'that all programmes were watched both in London and in regional centres, but not by specially designed monitoring staff. The Authority knew exactly when and where and for how long advertising occurred in every region; it had records; and it did not rely on programme contractors for its information.'

This, of course, simply did not reply to Mr Mayhew's simple <sup>108</sup> Almost a week earlier the *Daily Express*, on 23 January, 1959, commented:

'The play on TV reaches an absorbing climax.

'A detective turns to a father.

"Your daughter's dead", he says.

"The screen goes blank.

'Something wrong with the TV set? Not at all.

'A series of "commercials" appears instead.

'Three minutes later the action of the play is resumed.

'Back to the screen comes the father's grief-stricken face.

"You say she's dead?" he says.

'That's what the commercial TV programme contractors call a "natural break" for advertisements.'

question, and it is not answered anywhere else in the eight foolscap pages of transcript. A note at the foot of page 3 records:

'The question about films was not specifically taken up at this point and was not returned to. The ITA considers that in most films natural breaks occur when there is a significant change in scene or lapse of time, but only some of these breaks are used for advertisements.'

An almost incredible interchange then took place.

'Mr Mayhew asked what was gained by the interruption in Dr Bronowski's lectures. Sir Robert Fraser replied that there was a positive gain in having a pause and that the pause was natural. The pause created a natural break into which advertisements could properly be inserted. A pause was an advantage in exposition just as chapters were an advantage in a book. The relevant point was whether the pause was natural or unnatural: whether or not advertisements came in the pause was irrelevant. He added that it was not at all easy in fact to say exactly what Parliament had in mind in introducing the provision for natural breaks.'

It seems hard to believe that Sir Robert was serious in suggesting that commodity advertisement intended to divert and distract actually *aided* Bronowski's expositions.

Sir Ivone clearly had his doubts and hedged, saving it 'was a matter of opinion whether there was a positive gain from breaks in programmes, but whether there was a gain or not was immaterial to the issue about natural breaks'.

Interestingly *The Times* carried the following item on this question on 26 September, 1960.

'Next month the amount of spot advertising in any one hour of television will be cut from eight to seven and a half minutes, and on Christmas Eve it will be further reduced to seven minutes. An ITA official told *The Times* last night that these changes had been planned for some time.

'The authority had also been advised by the programme companies that there were to be changes in the presentation of advertisements, affecting the breaks in some kinds of programme. The application of these changes has not been finally settled, but it is thought that there may be fewer interruptions in hour-long plays.'

After some controversy about the volume of advertising and the

alleged 'corruption' of the Act, the questioners turned to relationships between the ITA and the programme contractors.

Mr Mayhew turned on Sir Robert Fraser, pointing out that the debates in Parliament had been conducted on the premise that 'there was a definite conflict between the interests of the viewers and the interests of the contractors . . . this was why Parliament had decided upon an independent authority . . . to act as watchdog'.

Yet, he complained, in a speech in Germany Sir Robert had described the programme contractors as 'trusted partners' and the phrases 'spirit of partnership, and 'close and amicable co-operation' had been used.

He went on to say that 'the ITA quite failed to understand its responsibilities: there was an excessive amount of advertising, there were repeated violations of the provisions for natural breaks and the contractors were being allowed to accumulate vast profits at the expense of television standards'.

He thought that 'Sir Robert Fraser should have a completely different concept of his role', to which Sir Robert replied that 'he could understand Mr Mayhew's view but he did not agree with it'.

The quartet then discussed the promises given in Parliament about the powers that the ITA and the Postmaster-General would 'be able to exercise to prevent abuses', and Mr Chapman said sharply that 'As expressed by Sir Ivone and Sir Robert, the Authority's attitude was now indistinguishable from that of the programme contractors and of the advertisers, and this was a shocking admission.'

Sir Ivone was not having this and repeated, with some inconsequence, that 'the Act put larger responsibilities on the Authority than those which were implicit in the "watchdog" concept of Mr Mayhew and Mr Chapman. The programme contractors were the Authority's servants in providing programmes for its transmission and under the Act the Authority was wholly responsible for everything it transmitted.'

So the interchange ended.

But no one can now be satisfied that the vigorous defence of the programme contractors by the ITA is good enough. The ITA's attitude to its 'servant' companies seems quite divorced from the realities of the situation. It also seems far removed from the intentions of Parliament.

## Chapter Eleven

# The Affluent Corporations: Some Propositions

Randolph Churchill: Are you in favour of abolishing commercial

television?

Hugh Gaitskell: No.

Randolph Churchill: Why not?

Hugh Gaitskell: Perhaps you should put the case against it

yourself. For my part, I would have preferred a second public television corporation with, if possible, a 'pay as you go' system to finance it. But commercial television is popular with lots of people and we must recognize that it has come to stay, at least in some form. What we must do, however, as a minimum, is to make sure that the safeguards intended in the Television Act are

properly administered and observed.

Evening Standard, 1 June, 1959

Manufacturer to sales staff: Do me a research to prove that nine out of ten housewives prefer it.

Cartoon in New Yorker

Assessing the political atmosphere, it seems a safe prediction that the present ITV system will get the green light—but profits will be lopped.

\*Audio-Visual Selling\*, 24 July, 1959

THE point is, of course, what does Mr Gaitskell's 'some form' mean? The criticisms of commercial television are now well known. The oddly snobbish themes of programmes have been widely criticized. Dr Hilda T. Himmelweit commented, in 1959:199

'The world of television drama tends to be that of upper middle-class urban society. The occupations of people of this social level are depicted as worthwhile, while manual work is presented as uninteresting. Television plays teach that self-confidence and toughness are needed to achieve success. Goodness of character is not enough;

199 Television and the Child, by Dr H. T. Himmelweit, A. N. Oppenheim and Pamela Vinci, Oxford University Press.

that life is difficult, especially for women; that marriages are frequently unhappy and parent-child relationships are often strained. Events rarely turn out satisfactorily and virtue seldom brings happiness in its train. Violence is an inevitable part of life, and good people often resort to it. For the adult observer, a hackneyed view of life emerges....'

Richard Hoggart is another mature observer who agrees:200

"... in the present situation the single most powerful attempt to alter attitudes—to educate manners—in Britain is being made through the advertisements on ITV. There we can see at its plainest the sort of Britain—the quality of life in Britain—which might emerge if the kinds of force it represents were totally and without qualification or resistance in play. There we may see the picture of life which young working-class wives, and lower-middle-class wives, and husbands just taking out the first mortgage ever held in their family, are all being asked to find acceptable—so that as many as possible of them will use this soap or feel that they "deserve" that chocolate or "owe it to themselves" to have this refrigerator. What sort of a world are they shown?

'It is not a violently crude world; in all sorts of obvious ways it is a very decent world. It is a bright world and a congenitally innocent world, a world prior to the knowledge of good and evil, in which all the young girls have that wonderful Jamesian exclamation-mark between their eyebrows (see the Mirandas of the cocoa-commercials) and even the middle-aged fathers look no more than nicely weathered by sinless winds. But it is a bodiless world and Sir Robert Fraser, like the Father Christmas in a big store, is the public-relations host to it.'

Is this fair to Sir Robert and the ITA? Well, some of the ITA personnel seem to go out of their way to praise the *status quo* within the companies.

The Scottish Representative of the ITA, Lord Belharen and Stenton, even made a case for advertising in Mr Roy Thomson's Scatsman:201

<sup>200</sup> Encounter: January, 1960.

<sup>&</sup>lt;sup>201</sup> 31 August, 1959. He went on to deal in facetious terms with the question of children's viewing:

<sup>&#</sup>x27;... there are many other aspects of commercial television upon which I have not touched for the simple reason that I do not feel myself

'Scottish Television Limited, with an audience of three-fifths of our population, is a new and vital addition to our national life. It was said that commercial television would lower the standards of broadcasting in Great Britain; being commercial, and since it must please a majority to live, its programmes would necessarily be of shoddy quality.

'This silly argument, offensive to the temper and to the tastes of the people of Scotland, riled me from the moment I first heard it, in 1955. . . . Television stands or falls by the will of the people who form its audience and the success of commercial television in Great Britain is proof that its programmes are appreciated by a very large majority of the people of these islands. If the audience were not appreciative, hard-headed advertisers would not use the medium and commercial television would cease to exist. Nor does the cost of television advertising fall upon the consumer-it is an economic fact that the more of a product a producer can sell, the less the consumer has to pay for it. The production of commodities is and always will be a competitive affair-if you raise the price of your product, you put yourself out of the competition. Thus, far from the public being out of pocket through commercial television, they receive not only a free television service, but pay less for those commodities which successfully advertise in that service.'

Not everyone has the same equanimity.

Other criticisms have been made within the advertising industry itself. A writer in a trade journal, early in Spring, 1959, 202 said:

'Taste travels down the social scale. We may find the commercially uninformed gibes of Miss Laski and Mr Noel-Baker extremely

qualified, after one year's study, to write about them. Such questions as "how much does violence on the screen affect the child?" Well, I must ask, which child? Our "daily's" children, I am told, far from wishing to be the Scarlet Pimpernel, amuse themselves by using an armchair as a guillotine and contend for whose head shall be first on the block! They enjoyed being Robin Hood and none of them would agree to be the Sheriff of Nottingham. There is a problem for the pundits here, but not, I fear, for me, and I will end this article by saying that Scottish Television Limited deserve our thanks for their many contributions to our lives in Scotland, and that I have unbounded confidence in their future as a national institution.'

irritating, but the odds are that the opinions of this otherwise educated minority will one day be shared by the woman-in-the-street, whom we now "sell" successfully with so much piffle.'

He went on to say:

'Away, first of all, with demonstrations that ought not to fool a child of three. Those baths and sinks ("dirtier than yours would ever be") covered with a layer of soot and cleaned "like magic" by this or that "miracle" cleanser. Away with that jug of muddy water that is supposed to contain the "hidden dirt" left in clothes washed by any detergent but Tide. Away with those unbelievably gifted amateur handymen, who can cover any colour with one coat of paint, or paper a room, or knock up a sideboard in a one-minute commercial.

'Away, secondly, with the word housewife and all the horrible women who exemplify it (except those splendid OMO wives). Away, we mean, with those dreadful women who are always carrying their washing over to the window for testing, those dedicated bores who keep the house together with plates overflowing with tinned peas, or sausages, or blancmanges, when we all know that what really keeps everybody going is the Sunday joint....

'Away with claims that can't be true: "You'll be a little lovelier each day with fabulous pink Camay"—as if, only given time, it would turn Mrs Braddock into Jayne Mansfield; or (sorry we are back to detergents again, but, since their advertising problems are the most acute, they tend the more easily to fall victim to this kind of absurdity) the detergents that add brightness or wash shining white—as if you could read small print by the light of a pillowcase. Oh, we know that they contain optical bleaches that reflect a portion of the ultraviolet as visible light'.

Everybody knows too that where groups of people get together to discuss things, they are not talking about branded products but usually, as the writer says, about sex, cricket, the weather and the rising cost of motor insurance.

The commercial programme contractors are sensitive to the growing public demand, prodded on by the *Daily Express*, for a revision of their financial arrangements with the Independent Television Authority and are mounting a campaign on the issue of who should control and provide programmes on the Third Network.

Mr Wills, of A-R, had a positive approach to this at a very early stage. He said to his shareholders at the end of 1956:

'It is up to us to prove to the electors of whatever Government is in existence in the early 1960s that they would miss us and that we ought not to come to an untimely end.'

The Popular Television Association has been dusted off to campaign for commercial sound radio and will shortly be back on its old pitch; ABC and Mr Collins of Associated Television have registered companies and Mr Roy Thomson is also somewhere involved in all this activity.

In 1959 the BBC audience research department tried to find out how much sound radio would be missed by asking persons who had means of receiving radio and television programmes how they would feel about the sound programmes if their radio set broke down.

Astonishingly, more than one-half said that they would miss it 'very much' or 'quite a bit', and only one in six was unmoved. At this point in time, more that twenty million persons listened to some part of a BBC sound programme each day.

This is the audience upon which the commercial interests are training their guns in Britain, as was noted by *The Times*<sup>203</sup> in discussing the case for local radio stations:

'Against the commercial companies is the probability already noted that when "Top of the Pops" was found to have fifty times as many listeners as "The Week at County Hall" the pops would have it and local flavour would evaporate. If, however, it is conceded . . . that one of the most hopeful future roles for sound broadcasting is to attend to the tastes and interests of minorities, then, whether those minorities are local or spread about the country, the BBC is the more likely of the two to satisfy them.'

Thankfully we can still remain unchilled by Mr Maurice Richardson's little story in the *Observer* (18 September, 1960) because it seems so extreme:

"It's been a dreadful life without the telly, with the children grizzling and asking all the time, 'Why can't we have the cowboys

<sup>&</sup>lt;sup>203</sup> 5 April, 1960.

on?'... I wouldn't have minded so much if only I could have seen the testing signal in the mornings for an hour or two. They usually play some nice music then."

'The above cri du cœur comes not from me on holiday, but from the unemployed man in Ispwich who was fined £4 last week for obtaining current for his TV set by by-passing the meter after it had been cut off. It must be one of the most poignant expressions of telly-dependence on record. Especially that longing for the testing signal.'

Questions were first asked in the House of Commons about the Third Television Network as early as 7 July, 1958, when Col. Lipton (Labour, Brixton) asked the Postmaster-General, 'Are you aware that there have been leakages about the Government's intentions in this matter?'

He was talking about what had been described as 'a "persistent trade rumour"... that the Government has not merely decided in favour of the Independent Television Authority but has, in fact, singled out a particular programme contractor as most suitable to operate the new service'.<sup>204</sup>

This rumour derived from a little speculation as to the motives of the Rank Organization and Associated Newspapers in joining together to form an organization with a capital quite out of proportion to the needs of a secondary television contracting company—unless 'they believe, rightly or wrongly, that they will be given an option to operate a third London service in due course?'205

The argument has also been advanced that it was odd that Associated Newspapers, which was in on the ground floor of Associated Rediffusion, should sell its holdings when A-R's worst period was over and the Company was starting to make money. Why should Associated Newspapers have shifted to tiny Southern Television?

Be that as it may, there will, of course, be bloody in-fighting as to who runs the Third Network and who gets the programme contracts.

On Wednesday, 13 July, 1960, the Postmaster-General, Mr J. R. Bevins, announced<sup>206</sup> that the Government had decided to extend the Charter and licence of the BBC from 30 June, 1962, to

<sup>&</sup>lt;sup>204</sup> Impact: Spring 1959. <sup>205</sup> Impact: Spring 1959.

<sup>206</sup> As reported in The Times: 14 July, 1960.

29 July, 1964 (the date of expiration of the Television Act). He said that he had appointed Sir Harry Pilkington to be Chairman of the Committee of Inquiry into the Future of Sound and Television Broadcasting. Some Conservatives showed they did not want an inquiry at all: they knew what they wanted!

Captain L. P. S. Orr (Conservative, Down, South) said in the House of Commons:207

'Surely all the facts, technical and otherwise, are well known and all that is involved are political considerations. Surely there is no reason for an inquiry?'

It was subsequently announced that the Committee's terms of reference would be:

'To consider the future of the broadcasting services in the United Kingdom, the dissemination by wire of broadcasting and other programmes, and the possibility of television for public showing;

'To advise on the services which should, in future, be provided in the United Kingdom by the BBC and the Independent Television Authority;

'To recommend whether additional services should be provided by any other organization; and

'To propose what financial and other conditions should apply to the conduct of all these services.'

Sir Harold Pilkington, of whom Mr Anthony Crosland properly asked whether he might not have a bias in favour of advertising in view of his life-long connection with large-scale industry, is an important industrialist. A former President of the Federation of British Industries, he was Chairman of the Royal Commission on Doctors' and Dentists' Remuneration, is Chairman of Pilkington Bros. Ltd., the glass manufacturers, and a Governor of the Bank of England.

Considerable activity has already taken place with a view to influencing this Committee. Mr Peter Rawlinson, M.P. (Conservative, Epsom), who is Chairman of the Conservative Party's Radio and Television Committee, said early in 1960 that his Committee would start taking evidence in January from the ITA, the BBC,

<sup>207</sup> The Times: 5 May, 1960.

and representatives of the entertainment trades unions, as the beginning of the inquiry into the workings of Britain's television service. He said that:<sup>208</sup>

'There is worry about the growing monopoly of commercial TV, about who should get the third TV channel, about how the Television Act is working, and whether it required certain amendments.'

The entertainment trades unions have their own fairly well developed policies on the Third Network. British Actor's Equity hold the view<sup>200</sup> that 'before very long television will displace live entertainment as the biggest single source of professional income'. The Equity Council recommended to its members the view that there were compelling reasons for the Third Network to be wholly independent and not handed over either to the BBC or to the ITA.

Equity obviously feels bitterly about 'the prospect of a whole new network in the grip of the dead hand of [BBC—C.J.] Drama Bookings...' Their argument against the extension of the ITA frontiers was based upon a doubt as to whether potential advertising revenue would support two national networks and also provide funds for further technical developments. They also made the point that the two parallel commercial networks 'would, inevitably lead to identical programming, with each contractor matching his competitor's output programme by programme in an effort to serve the largest possible audience'. But their most important objection, they emphasized, was 'the existence of the famous "option agreement" under which the ITA has undertaken to divide the cream of its two networks (if it gets another) between the present "Big Four" programme companies." 210

208 Audio-Visual Selling: 1 January, 1960.

100 Twenty-eighth Annual Report of the Council of Equity, submitted

to the Annual General Meeting 5 April, 1950.

<sup>210</sup> This agreement was described by the Chairman of the ITA, Sir Ivone Kirkpatrick, in a letter to the *Sunday Times*: 15 March, 1959, in the following words:

'Sir,

'Last Sunday, your Political Correspondent referred to the option rights given by the ITA to some of the existing programme contractors: and said that the Government would be opposed to establishing new monopoly rights in independent television on these terms.

'May I correct any misapprehension which these words might cause? As explained in the Authority's Annual Report, if more channels were granted to Independent Television, the four existing companies in

Equity then came down on the side of a Pay-As-You-Earn system, which they thought would be both technically practicable and economically viable because it could provide for a great flexibility in programming as well as being able to cater for minority audiences.

The Association of Cinematograph, Television and Allied Technicians, 211 in 1959, declared itself against a Third Network

'... being given to the ITA to "siphon off" advertising revenue that cannot be accommodated on the existing ITA networks. This would, in our view, lead to precisely the duplication . . . we would regard as senseless and against the national public interest. The income of the combined ITA companies last year was fifty millions, enough to provide the finest possible television programmes as well as a reasonable return for the shareholders. However, this was not done. The ITA companies, being purely commercial and not concerned with standards, paid a wholly disproportionate part of their income to the shareholders and held the quality of programmes at a consistently lower level than is desirable, with little or no respect paid to cultural or minority interests and far too much programme time

London, the Midlands and the North would be given, under the so-called option agreement, the first refusal of a seven-day contract in one of them surrendering any days they may now have in any other area. The effect would be as follows.

'At present these four companies divide the time between them and each, during the days allotted to it, enjoys a monopoly. Under the option agreement each would have, it is true, a seven-day contract instead of broken time. But each would have alongside it a competitor also broadcasting for seven days a week in the same region. Thus, instead of the present four monopolies in the London-Midlands-North service area, there would be six programme companies, two in London, two in the Midlands and two in the North, each competing in its own area and sharing the available revenue according to their relative success.

'The replacement of the existing monopoly system by direct competition on these lines can hardly be described as establishing and extending new monopoly rights.

'Ivone Kirkpatrick 'Chairman

'The Independent Television Authority'.

<sup>211</sup> Twenty-sixth Annual Report and Agenda for the 26th Annual General Meeting, 1958-59, of the Association of Cinematograph, Television and Allied Technicians.

being given to cheap, American filmed serials. . . . Were the third channel to go to the ITA, with a very largely increased number of programme-contracting companies all offering alternative sources of employment and competing for the services of our members, there is not any doubt that the financial welfare and status of those members and of the members of other unions would be greatly improved. But the welfare of our members must be considered in parallel with the public good and programme quality. We do not think that the purely commercial, profit-seeking system, forever wooing the greatest mass audience for its advertisers, produces the best possible programmes in the broadest sense.'

The Association then went on to deal with other claimants:

"The BBC has a strong claim to the third channel, in view of its previous pioneering work in the broad field of television, in the development of educational and cultural tastes in radio and television, and in Regional programming. But the BBC is operated as part of the governing "establishment", controlling personnel being carefully appointed in keeping with this policy. It is over-burdened with administrative bureaucracy. Its response to public criticism, if it responds at all, is at least ungracious and there is a complete absence of lively flexibility. . . . The level of programme quality of the BBC is generally considered to be higher than that of the ITV companies, but it is still, because of lack of funds, very much lower than it could or should be.

'Were the third channel to be given to the BBC it would have no resources for improving this quality and as the programmes would emanate from the existing departments with their existing heads, they would therefore retain their existing colour and tone.'

It therefore came down in favour of:

'... the creation of a new body, a Television Foundation. This should certainly be broadly under public control and operating initially, at least, under a public grant from Treasury sources. But, by direct representation on the Foundation of a wide range of social and cultural organizations its administration would reflect much wider and more representative interests. Its machinery should be so devised to make possible clear and direct representations of the views of the public and of the employees in the service. The Foun-

dation would appoint the necessary trained personnel to run the service along the lines indicated above.'

The Association went on to say that it took the view that there might be some subsidy from existing licence fees and consideration should be given to the possibility of a 'special tax on the profits of the ITA programme contractors . . . in order to furnish the appropriate funds for the new service'.

No objections were raised to the prospects of advertisement revenue also being obtained.

The Secretary of the Arts Council of Great Britain has made the point<sup>212</sup> that whoever wins the Third Network has a responsibility to the theatre.

He wrote that it was:

"... to the credit of Independent Television that it has observed some degree of responsibility to the arts it needs and consumes. Whether there is any prospect of a substantial extension of this recognition among the other mass-media, such as the recording companies, remains to be seen.

"... finally, the question presents itself, if voluntary action in this field of reafforestation continues to lag, is there a case for legislative action or for the inclusion of appropriate clauses in television's next charters? The Government has already given some indication, in a House of Lords debate, that it is interested in the large profits which Independent Television is now making. If there is to be a tax or levy on this thriving and prosperous mode of commerce, is there not a case for applying some fraction of it to the various arts which have helped to yield that prosperity: and, indeed, a similar case for allocating some of the wireless licence revenue to the same purpose? To any such suggestion we shall no doubt receive the traditional answer that British fiscal policy frowns on ear-marked taxes. . . . The living arts are in increasing peril of decline and extinction largely because they are being packaged and delivered in the home by certain lucrative industries. The natural doctrine of replenishment seems a just and timely one to invoke, either on a voluntary basis, or, failing that, a legislative one.'

The Labour Party doesn't seem to have a firm attitude to this

<sup>&</sup>lt;sup>212</sup> From the 14th Annual Report of the Arts Council of Great Britain, 1958-59, entitled *The Struggle For Survival*.

question. In addition to Mr Hugh Gaitskell's fragmentary reply to Mr Randolph Churchill, there seems to be only one other semi-official statement on record. During the course of the 1959 General Election, Mr Morgan Phillips, the Secretary of the Party, denied that a Labour Government would end commercial television, saying that when a third choice of channel became available 'we will have to consider who runs it—it might be the BBC, or the ITA, but there is also a case for setting up a new authority'.

He was replying to a telegram sent to him by Mr T. L. Little-wood, the general secretary of the Association of Broadcasting Staff; *The Times* carried this story on 7 October, 1959.

Mr Phillips was denying an eve-of-poll Daily Sketch report of a 'secret Labour plot' to put commercial television out of business within six months, 'by clamping new, heavy restrictions on advertising', with the object of having commercial television replaced by a service administered by another State-owned corporation with a resulting licence fee of £8-£10 per annum.

Mr Phillips, in his telegram, replied characteristically that the story was 'a fantastic lie and obviously intended as a scare to try to save the Tory Party from defeat'.

There is no doubt that his reply was based on a proposal sketched out in the Labour Party's policy statement Leisure For Living, which merely suggested a Beveridge-type committee to investigate. This represented a considerable retreat on the position taken up in Parliament by 'Mr Herbert Morrison and other prominent spokesmen [who] threatened, when the Act was going through Parliament in 1954, that the party would drastically amend or abolish the system'.<sup>213</sup>

The Labour Party's current attitude is in doubt. If it had taken office there is a likelihood that the third channel would have gone to a new public corporation (a Party spokesman said to me 'not an Auntie BBC but a modern corporation in jeans and pony-tail!').

Now the Party is faced with a need, presumably, to oppose an aggrandizement of the existing contractors, defend the BBC's absolute control of sound broadcasting on a non-commercial basis, and possibly, devote some attention to the growing cartelization of the Commercial Television companies, which show signs of

<sup>218</sup> Daily Express: 16 June, 1959.

developing into a monopoly interest group. As well as this, it is presumed that the Parliamentary Labour Party will, through its gadflies, Mr Christopher Mayhew, Mr Francis Noel-Baker and Mr Donald Chapman, protect the interests of consumers who might otherwise be at the mercy of the advertisers.

They are likely to have a busy time.

In May 1959, in the House of Commons, the Daily Express reported that:

'Mr Mayhew gave examples of what he called "perhaps the most public piece of systematic looting in British history."

"The most flagrant case, he said, was on 29 April, when between 10 p.m. and 11 p.m. there was no less than 213 minutes of advertising. "Ironically, after all this," he commented, "there was a personal appearance of Lord Montgomery of Alamein."

'Mr Mayhew said the trouble was that programme contractors concentrated their advertising on those peak hours when most people were viewing.

'It might happen that nine minutes of advertising was shown in a peak hour, and only three minutes at some other time of day.

'By this "fraudulent formula" the contractors managed to average out the "statutory" six minutes an hour on average. Mr Mayhew said he had worked out that Associated-Rediffusion, by exceeding the average between 7 p.m. and 10 p.m., was making a fraction under £2,000,000 a year.

'And, over the whole evening, including advertising magazines, they were making £4,000,000 a year. This company was not, however, alone. Granada, ATV, and TWW were all making huge sums by keeping programme time short and advertising time long.'

He followed this with a letter to *The Times* on 3 June, 1959, which deserves reproduction almost in full:

'During the passage of the Television Bill, the Government assured its critics that advertising would be limited to "six minutes an hour". (The chief spokesman, Lord Kilmuir, said, "five or six minutes to an hour." Hansard, Vol. 525, c. 1447.) This can either be taken as meaning six minutes in any hour, which is what Parliament undoubtedly thought, or it may quite fairly be taken to mean that viewers would see six minutes an hour on the average—e.g. a million viewers would see seven minutes in one hour and five minutes in the next.

'But neither of these interpretations satisfies the programming contractors. They can make their biggest profits if they are permitted to crowd their advertising into normal viewing hours, from seven to ten. This is the period when masses of viewers are looking in, when advertising can fetch £1,000 a minute or more instead of £100 a minute or less.

"The programme contractors' wishes are thus perfectly met—at the viewer's expense—by the disingenuous formula which Sir Robert Fraser takes so long to explain— "six minutes averaged over the whole day." This means, in effect, that programme contractors may broadcast much more than six minutes advertising when people are watching provided they broadcast much less when they are not. Sir Robert Fraser's statement "average hourly advertising in the 21 weekly hours between seven and 10 p.m. is always within eight minutes" shows plainly how the land lies. Lord Kilmuir's "five to six minutes to an hour" is to apply only when practically nobody is looking in. ITA protests that this is a fair interpretation, and is what Parliament intended. Others will regard it as an affront to Parliament and as shameless profiteering.

'As I explained in the House—and Sir Robert has not attempted to dispute these figures—by systematically exceeding an average of six minutes an hour between seven and ten, one programme contractor alone, Associated-Rediffusion, is making a fraction under £2 million a year. If we take the whole period between five and eleven o'clock the figure is £1,750,000. Including advertising magazines, the figures is £4 million a year.

'A single instance of ITA maladministration of this kind might not be worth campaigning about. But this is only one of several instances, all of them resulting in excess profits for the programme contractors. Here are some others:

- '(1) Permitting advertising in artificial breaks in programmes contrary to section 3 of the Second Schedule of the Act.
- '(2) Permitting monopoly practices contrary to Clause 5 section 2 of the Act.
- '(3) Failing to insist on a balance of programmes in normal viewing hours, contrary to Clause 3 section 1 (b).
- '(4) Failing to ensure sufficient British content in normal viewing hours, contrary to Clause 3 section 1 (d).

'If the Authority and the Postmaster-General do not act in these

matters and protect the rights of viewers, Parliament will have to assert itself and reform the whole structure of ITV.'

Another Labour backbencher, Mr Roy Mason (Barnsley), returned to the attack in the Commons on 9 March, 1960, when he asked the Postmaster-General some pointed questions.<sup>214</sup>

Mr Mason: Is the Minister aware that in the —— cleansing

liquid advertisement they specially prepare a floor, they spray on a grey distemper to begin with, and use a modern mop with no —— cleansing liquid on it? The contrast is quite obvious when the mop sweeps the floor. In view of the fact that the floor is prepared and that —— is not used, is

not that a fraudulent advertisement?

Mr Bevins: There may be exaggeration here and there in the

whole field of advertising, but, as the hon. Member knows, exaggeration and advocacy often go

together.

Mr Mayhew: (Labour, Woolwich, East) asked the Postmaster-

General what consultations he had had with the Independent Television Authority under Section 4 (5) of the Television Act regarding the use of mis-

leading visual effects in television commercials.

Mr Bevins: One of my predecessors told the House in 1955

that he had accepted the ITA's code of principles for television advertising, in so far as they related to matters falling within his jurisdiction under Section 4 (5) of the Act. One of these principles is that no advertisement shall contain any visual presentation of the product or service advertised

which, directly or by implication, misleads; and the authority assure me of their constant concern

to comply with this.

Mr Mayhew: Little notice is taken of any of these advertising

directions or regulations, and it is easier on television to lie in pictures than in words [Cries of 'Oh'] not that the difference between truth and falsehood has ever been any concern of the

214 The Times report.

Conservative Party. [Laughter and cries of 'Oh'] Since the Postmaster-General prohibits false advertising claims to be made in words, why does he permit them to be made constantly, night after night, in pictures?

Mr Bevins:

I understand the hon. Member may have in mind the advertisements for — and — margarine and perhaps --- as well. The ITA tell me that the products of — and — were used visually in these advertisements, but there are circumstances where for technical reasons it is not possible to use the actual product—for example, icecream which might melt in the intense heat of television. As a rule, the ITA carry out their job quite scrupulously.

Mr Ness Edwards: (Labour, Caerphilly) With detergents claiming to wash whiter, the article is grey and not white.

Mr Bevins:

We are all enthusiasts in diverse products.

How far should 'exaggeration and advocacy' be allowed to go together? As far as a recent example in the United States?

"The opening shot of the New York skyline in a recent TV spectacular may have looked a little strange to a native New Yorker. Something was missing. The something was the Chrysler Building. The program was sponsored by the Ford Motor Company. The Chrysler Building was simply blotted out and removed from the skyline.'215

And what of the subjects suppressed?

Stories are always circulating about the anxious concern shown by the advertising agencies who handle oil accounts whenever a contractor has a fuel and power feature in production. And which producer could dream of proposing a documentary illustrating the causal connection between cigarette smoking and lung cancer?

There may not be a stop-list, but highly-paid creative persons can be relied upon to know which subjects are liable to turn the stomachs of the agencies and their customers without having to be told.

<sup>215</sup> Playboy magazine: October, 1959.

Is the Conservative Party anxious? A ghostly outline of its future policy could be seen during a debate in the House of Lords, initiated by Lord Boothby, on 3 June, 1959.216

Lord Boothby began 'I have, alas, no direct financial interest to declare in television—[laughter].' He described the BBC's attitude, as expressed by the Director-General, as being one which was impressed by the argument that if there were to be two channels they should be placed in relation to one another for the strength came from a unified broadcasting system, as opposed to the dangers of a nation appearing to speak with two or three voices.

He went on to say quite sharply that it was a 'valid criticism', but the ITA was accused of 'permitting monopoly practices contrary to the Act... to some extent it was undeniable'. He warned the companies that they 'should seek to improve and rationalize their programmes and not seek to perpetuate or extend the present monopoly. If they thought they could convert their television empire into a closed shop, to be run by themselves exclusively for ever and ever, they were living in a fool's paradise. Parliament would never tolerate such a set-up indefinitely. The future of the "Big Four" lay to a large extent in their own hands.'

The views of the programme contractors seemed best expressed by Lord Bessborough, who was a director of one of the ten television companies licensed by the Independent Television Authority. 'The claim of the BBC to a second channel was not acceptable. The BBC was doing a very good job, but it already had complete national coverage. Were the BBC so hungry that, in spite of this, they would wish to deprive their competitors of a whole week in one place? The BBC had consistently opposed the extension of scheduled hours for the existing service and consistently pleaded for larger revenue. How could the BBC contemplate the operation of a second service? . . . If a certain Labour Member went on in the House of Commons trying to hamstring this popular form of entertainment as he appeared to be doing from his last letter to The Times<sup>217</sup> on 3 June, it seemed probable that the Labour Party might lose more votes at the next election than some hoped. The

The report of the debate is taken from The Times account on 4 June, 1959.

<sup>217</sup> See page 273.

Member appeared to be at variance with his leader, who had said that independent television would not be abolished if the Labour Party came to power.'

In reply to the debate, Viscount Hailsham, the Lord President of the Council (who had been a member of the National Television Council which opposed the introduction of commercial television) said that his view had not changed from that time 'nor was he embarrassed at winding up the debate for the Government'. He added that 'if he appeared occasionally to put a toe down on one side of the fence or the other, the main part of his body was firmly ensconced where it ought to be—[laughter].'

He only made one statement which was new and significant. In addition to discounting the possibility of a third channel 'to be financially on a subscription basis', he discussed the financial relationship of the programme contracting companies with the Independent Television Authority, saying 'although it was illegitimate to complain of the profits of those who had risked their money during the period for which they had got their franchise, it would be wholly unrealistic not to consider, when profits on this scale had been established, that the terms on which future franchises were given must be subject to review. It was their business to be good stewards of public money, of opportunities to secure good monies from public service. It did not follow thereby that there should be no decision on the question of a third channel.'

This point of view was closely followed at the end of the following month,<sup>218</sup> by a report of fifteen M.P.s, comprising the Committee on Public Accounts of the House of Commons, who took the view that the ITA should charge its programme contractors high rentals.

The Committee conceded that substantial losses had been made at the beginning, but were impressed by the figure of £20 million trading profit which was made before tax in 1958. They therefore recommended that in future contracts the rentals 'should take full account of capacity to pay' and should be arrived at by competition.

Other groups have been having views about the future of the third network. The central committee of the five trade associations

<sup>818</sup> As reported in Audio-Visual Selling: 31 July, 1959.

of the film industry<sup>219</sup> has already asked its affiliates for their views on setting up a special committee to explore the possibility of the cinema industry as a whole making an application to run the third network.<sup>220</sup>

Mr George Elvin, chairman of the Radio and Television Safeguards Committee which represents fifteen trade union and professional bodies operating in television and radio believes that 'the main interest in the Pilkington Committee will be its recommendations for the future of television. Under the present system of society the controversy as to whether there should be commercial television cannot be reopened. Even those who strongly opposed its introduction will concentrate on reform and not abolition. It is too big a business to unscramble. Moreover many who opposed its introduction are now converted to it despite all the many valid criticisms.

'Some of the criticisms must be remedied. A formula must be found for ploughing back to the viewers much of the extravagant profits now being made, or preferably, regulations must be made to prevent such profits continuing to be made.'221

'The cartel-like operation of the programme contractors must be broken up. They are not competitors as envisaged. . . . The Television Act provides for a minimum percentage of programme time being initiated locally. That was thought to mean programmes of specific local or regional appeal. But it doesn't. It can be an old American film or anything else as long as it emanates from the regional station.'

On the other hand, a report by Leeds University urged that a universities' television corporation should have the new network to dedicate it to education and the dissemination of 'knowledge, speculation and the arts', without the 'obligation to entertain or to pander to some theoretical lowest common multiple of viewers'. 222 (The report drew attention to the fact that more than 100 American universities broadcast television programmes and

<sup>&</sup>lt;sup>219</sup> The five associations are: the Cinematograph Exhibitors' Association, the British Film Producers' Association, the Kinematograph Renters' Society, the Association of Specialized Film Producers and the Federation of British Film Makers.

<sup>&</sup>lt;sup>220</sup> Audio-Visual Selling: 31 July, 1959.

<sup>221</sup> Labour Research: November 1960.

<sup>222</sup> Guardian: 19 May, 1960.

that the Federal Communications Commission set aside 242 channels in 1952 for educational broadcasting.)

This is obviously one possibility. But it is not an exclusive suggestion; an overall national policy needs to be developed. Mr Christopher Mayhew has attempted this in a set of suggestions constructed for adoption by the Labour Party:<sup>223</sup>

'What should the Labour Party do about commercial television? Should we give it our blessing and allot it more channels? Keep it as it is? Abolish it? A Labour Government would not be able to dodge these awkward questions indefinitely...'

In his argument, Mr Mayhew complains again of excessive time devoted to advertising, of the weakness of the Independent Television Authority, and of the dangers arising from the links between the programme contracting companies and the newspapers:

'It is difficult to discover any reason, in the public interest, why commercial television should be linked up with sections of the Press in this way. Both media are quite powerful enough for the health of democracy; united in a single empire the extent of their power becomes thoroughly objectionable.'

He quoted the 'most devout and reverent treatment' accorded to Independent Television by the *Daily Mirror*, with its substantial financial interests in Associated Television, and said:

'The Mirror booklet "Spotlight ON TV" is absolutely biased... after judiciously ruling out... the BBC, a new public service corporation, and the Independent Television Authority operating its own service, the booklet concludes that that leaves the programme companies... Britain's third television programme should go to commercial television. That is to say that a large part of it should go to the Daily Mirror itself.'

As a result of his researches, Mr Mayhew came to the view that there was a need to break the links between the Press and commercial television, and he has proposed the following reforms, with which I concur:

<sup>223</sup> All quotations here and subsequently are taken from the Fabian pamphlet entitled 'Commercial Television' by Christopher Mayhew, M.P.

- 1. That excessive advertising should be rigidly prevented and a maximum of six minutes advertising per hour in any one hour should become the new standard: this should be at the beginning and end of the programmes.
- 2. To prevent further Americanization of Britain, a maximum percentage should be set for material originating in the United States: this should be of the order of 15 per cent.
- 3. That a permanent division should be created between the Press and television interests by prohibiting the holding of shares in the programme contractors by any company which takes power to print and publish newspapers.

These are, of course, simple reforms, and could be carried out administratively. But what of the future? The Mayhew plan provides for an expansion of the authority and personnel of the Independent Television Authority to prepare it for taking over the right to sell advertising time and do its own programming which it would sub-contract to programme producing companies. The plan would also give the Authority absolute powers in the networking committee.

In this way, the nation would gain any subsidiary advantage there was to be found in the situation and there would be much greater public control of the programmes themselves.

The campaign for commercial television in Great Britain was represented as an anti-monopolistic crusade. In the event, a new private cartel has been organized which seems to violate both the spirit and letter of the Television Act. The arguments for its maintenance in its existing form after 1964 are both highly motivated and contrary to the public good.

The time has come to make a change and to devise a system of public power allied to public policy.

It is obviously essential that the third network should not be under the control of commercial programme contractors working to the pattern already established by the Independent Television Authority. The Pilkington Committee has already had put before it millions of words of criticism of the existing arrangements (although the Conservative Political Centre has published a report urging that the two non-BBC Television services should be provided by 'separate and competing programme companies').

They might well pay attention to the description offered by Mr David Susskind, who is a leading American television impresario, in his remark to a *Times* correspondent: 'Do you know, the famous Nuremberg Trial programme was sponsored by a gas company, and they wanted all reference in the testimony to gas-chambers removed as they created a harmful image of the product? A sponsor once told me, in a wonderful phrase delivered with a completely straight face, that what he wanted was "happy shows about happy people with happy problems".'

My own view is that where commercial advertising pressures

My own view is that where commercial advertising pressures are licensed they will always seek to evade restrictions which the rest of us try to place upon them and I would, therefore, prefer to see a non-commercial public-service broadcasting system. I agree with the former *Life* editor, Mr Alexander King, who wrote: 'I strongly suspect that those public-spirited lads actually often tell us about a great many things that we *ought* to want, just because some big-time gambling gents have their goddamned warehouses loaded with some of the crap they can't get rid of.'

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